EMAAR

EMAAR PROPERTIES PJSC

INTEGRATED ANNUAL REPORT 2023

Emaar Properties PJSC (DFM: EMAAR) is a global property developer and provider of premium residential, commercial, and retail spaces, with a significant presence in the Middle East, North Africa, and Asia. As pioneers in developing master-planned communities and bespoke lifestyle destinations in the UAE, we continue to shape new lifestyles and experiences across the world.

2023 Highlights

Financial

Segment-wise business review - Page 24

AED 26.7 Bn 7% ↑
Revenue (US$ 7.3 Bn)

AED 17.3 Bn 67% ↑
EBITDA (US$ 4.7 Bn)

AED 71.8 Bn 35% ↑
Revenue backlog (US$ 19.5 Bn)

AED 11.6 Bn 70% ↑
Net profit* (US$ 3.2 Bn)

Operational

Sale of Namshi to Noon at a value of AED 1.2 billion (US$ 335.2 Mn)

Address Jabal Omar Makkah unveiled with ~1,500 keys

Master-planned development at The Oasis – a luxury lifestyle destination

Launch of Dubai Mall Chinatown – the latest addition to Dubai Mall

ESG

ESG sections - Page 46

11.74 MWp 21% ↑
Solar power capacity (UAE)

Zero
Fatalities across the Group

BB ↑
ESG rating by MSCI

LEED Platinum O+M
Certification achieved for Burj Khalifa

117 Mn hours
Total safe manhours worked

92.6%
Customer satisfaction score

↑ y-o-y growth/Improvement

* Attributable to Owners

Contents

ABOUT THE REPORT

The Integrated Annual Report 2023 provides a comprehensive view of our strategic, financial, and operational performance, along with an overview of our Environmental, Social, and Governance (ESG) performance.

Reporting Period

01 January 2023 → 31 December 2023

How to Read this Report

Jump marks are linked to content within the document

The number inside the icon represents the relevant material topics in order of priority.

Scope of the Report

Scope and Boundary

This Report extends beyond financial reporting and includes non-financial performance, opportunities, risks, and outcomes attributable to or associated with our key stakeholders, which have a significant influence on our ability to create value.

Financial: All reported financial and operational numbers in the strategic report section are on a consolidated basis, unless specified otherwise.

Non-Financial: All reported non-financial numbers in the strategic report section are for operations in the UAE, unless specified otherwise. Key business units covered include UAE Development, Emaar Malls, Emaar Hospitality, Leisure, Commercial Leasing, and Entertainment, with supplementary information provided for select international business units.

Reporting Framework and Standards

This Report has been prepared in accordance with the <IR> framework published by the International Financial Reporting Standards (IFRS) Foundation.

This Report has also been made with reference to the following standards and frameworks:

- GRI 2021 Standards
- United Nations Sustainable Development Goals (UN SDGs)
- Dubai Financial Market's (DFM) Guide to ESG Reporting

Restatements of Information

This Report contains restatements of some non-financial information that was disclosed in the previous year's report. Please refer to the GRI content index for more information on the same.

Materiality

Page 38

In 2023, we updated our materiality assessment, refreshing our key material topics in alignment with current stakeholder expectations and the evolving business and sustainability landscape. This process allowed us to identify and prioritise key topics that significantly impact our business and are of utmost importance to our stakeholders.

Forward-looking Statement

The Report includes forward-looking information, such as 'future-oriented financial information' and 'financial outlook,' as defined by applicable securities laws. Except for historical facts, the content may contain forward-looking statements intended to provide insight into management's beliefs. While based on reasonable assumptions, actual results may differ. The Company undertakes no obligation to update forward-looking statements unless required by securities laws. Readers are cautioned not to place undue reliance on such statements.

Integrated Thinking

We are driven by

Purpose

Our purpose is to be the most admired real estate group globally, that transforms the lives of its occupiers by delivering spaces that engage, excite, and enrich, and thus deliver sustainable long-term income and wealth creation

Vision

To redefine engineering excellence

Mission

To create futuristic residential, retail, entertainment & leisure assets transforming the lifestyles of people globally

Enabled by *strategic priorities*

Page 36

01 Maintain leadership position in our markets
02 Focus on execution and cash flow generation
03 Focus on maximising shareholder returns

Delivering value through our *ESG Strategy*

Page 42

Sustainability Purpose: Our purpose is to create and sustain spaces and landmarks with a commitment to sustainability at the forefront, enhancing community wellbeing, safeguarding the environment and creating long-term value for all our stakeholders

With a consistent eye on

Opportunities

Navigating challenges, embracing change, and cultivating business resilience

Risks

Page 92

Proactively mitigating threats, adapting our strategies, and implementing safeguards

Supported by governance

Page 84

A foundation of expertise, prudence and cooperation and creating a legacy of success and unity.

Creating positive impact

Environment

Page 46

Focussing on responsible practices, conservation, and mitigating our environmental impact

Social

Page 66

Cultivating empathy, fostering connection, and building a shared ecosystem of progress

For *our stakeholders*

Investors and Shareholders	Suppliers and Contractors
Financial Institutions	Industry Associates
Customers	Government and Regulators
People	NGO, Advocacy Groups, and Communities

Translating Vision to Action

Now is the time for all of us in the business community to work together as a grand coalition to translate the UAE Consensus into action. This won't be easy, but the severity of the situation demands that we work together.

Jamal Bin Theniyah
Chairman

Dear Shareholders,

It is only fitting to reflect on a year that was transformative, both globally and particularly in the UAE. As we navigated through a dynamic global environment, our country continued to remain a bright spot.

The most positive outcome was the renewed focus on climate change and sustainable development. Nowhere was this focus sharper than in Dubai, which was recently the stage for the United Nations Climate Change Conference COP28.

Evolving into a genuine 'live, work, play' metropolis, Dubai now stands shoulder to shoulder in stature with all major global hubs. An impetus for its phenomenal growth has been provided by its sustained focus on economic diversification, public safety, social harmony, and sustainability.

Being Part of a Global Mission

Building on the legacy of the UAE's Founding Father, the late Sheikh Zayed bin Sultan Al Nahyan, COP28 succeeded in uniting the world around a landmark response to the Global Stocktake, named 'The UAE Consensus', that delivered on inclusivity, ambition, and change.

Now is the time for all of us in the business community to work together as a grand coalition to translate the UAE Consensus into action. This won't be easy, but the severity of the situation demands that we work together.

At Emaar, we are embarking on a journey to define a comprehensive strategy that underscores our commitment to transforming our business practices for the sustainable future of our planet and the betterment of all our stakeholders. Each member of our team plays a vital role in this pursuit, ensuring that our efforts are directed towards achieving significant and positive outcomes in key focus areas.

A Year of Strong Performance

Despite multiple challenges facing the global economy, the UAE's economy has demonstrated remarkable resilience, growing by 3.1% in 2023. This growth has been primarily driven by robust performance in non-oil sectors, notably real estate and tourism. The year 2023 marked a milestone for the UAE's residential real estate market, achieving the largest number of transactions ever recorded.

At Emaar, we successfully delivered on our promise of industry-beating growth in 2023, showcasing our operational excellence and sustained expansion across our diverse portfolio. During the year, we achieved revenues of AED 26.7 billion, accompanied by a notable 70% increase in net profit attributable to owners compared to the preceding year. This sustained performance was underpinned by growth in tourism, increased retail sales, and heightened demand in the real estate sector.

Amid new and emerging market trends such as the demand for smart homes, flexible spaces, sustainable buildings, and diversified consumer segments, we met the demand with our state-of-the-art, well-equipped and multifaceted spaces for work, living and leisure. From luxury homes and exclusive hotels to shopping malls and leisure attractions, we continued to shape the destinations and lifestyles of the future.

Our diversified portfolio of assets, with the potential for a strong upside in the development business, supported by our steadily growing recurring revenue businesses, will enable us to retain and build on our market leadership. Additionally, substantial value remains to be unlocked in UAE and international operations, boasting an extensive land bank of ~1.7 billion square feet.

Thinking Beyond Skylines

We have always been conscious of our responsibility towards the environment and society and have, over the years, taken various initiatives to embed ESG in our operations.

During the year, we updated our materiality assessment to ensure the relevance of our material topics to our stakeholders. We recognise the importance placed on ESG issues by our stakeholders and we aim to integrate sustainability into all aspects of our business.

In line with this commitment, we established an ESG Steering Committee to embed ESG considerations within our businesses and ensure an appropriate level of oversight on key ESG topics.

The Path Ahead

I am greatly excited about the momentum we are building. We have a clear purpose and an ambitious growth strategy, and I am convinced that we have the best people in the industry to help us translate our vision into action.

For us, 2024 will be all about making further progress against our business strategy, advancing our sustainability goals, and delivering on our key projects. We will continue to empower and unleash the potential of our people by building up their competencies and preparing them for the workplace of the future. One of the key focus areas for the upcoming year will be generating value for shareholders.

As the UAE economy progresses to meet its 'We the UAE 2031' vision and becomes one of the most diversified and admired countries in the world, we aim to continue our contributions towards shaping its development and enhancing the quality of life for its residents. At the same time, we wish to leave our deep imprint in the markets within which we operate, where our investments will support the creation of resilient and prosperous communities, contributing to economic development. I am confident that we will maintain our strategic position to help construct the cities of the future–intelligent, sustainable, and inclusive.

Let me end by expressing my deep gratitude towards our shareholders, customers, business associates, and partners for your unwavering support. On behalf of the Board and everyone at Emaar, I thank you for your continued support and cooperation as we work together to build a company for the future.

Jamal Bin Theniyah
Chairman

YEAR IN REVIEW

Celebrating Joyful Spaces

We specialise in creating and managing highly-amenitised luxury properties in every major market, where we give residents and users an unparalleled taste of comfort and the good life. Our diversified portfolio across the commercial, residential, retail, hospitality and leisure segments has enabled us to cater to diverse market needs, trigger new aspirations, and grow our business. The year saw us delight our customers and business clients once again with our unrivalled execution ability.

QUARTER 1

A Significant RoI Uptick

Namshi's Strategic Sale Paves the Way for Growth

We completed the strategic sale of Namshi, our online fashion retail gem, to Noon for AED 1.2 billion (US$ 335.2 million), generating a surplus of AED 127 million (US$ 34 million) over Emaar Mall's total investment over the years. This aligns with our strategic focus on core assets to enhance Return on Investment (RoI).

Launch of New Projects

Arabian Ranches III
Anya | Anya 2

Dubai Creek Harbour
Savanna | Cedar

The Valley
Elora

Dubai Hills Estate
Elvira

QUARTER 2

Promise of a More Refined Lifestyle

Emaar's Ratings Affirmed with Stable Outlook

Major rating agencies, including S&P, Moody's and Fitch, have reaffirmed our financial reliability with upgraded credit ratings (BBB, Baa2, and BBB, respectively) with a stable outlook. These endorsements signify our solid financial performance and improved market position.

New Premium Offerings

Unveiled a new master-planned development in Dubai
The Oasis, a luxury lifestyle definition that promises refined waterside living experiences, allows residents to make the most of the city's sun-filled days.

Our newest hotel
Address Jabal Omar Makkah features ~1,500 keys became operational.

Launch of New Projects

Arabian Ranches III
May

Emaar Beachfront
Seapoint | Bayview Tower 1&2

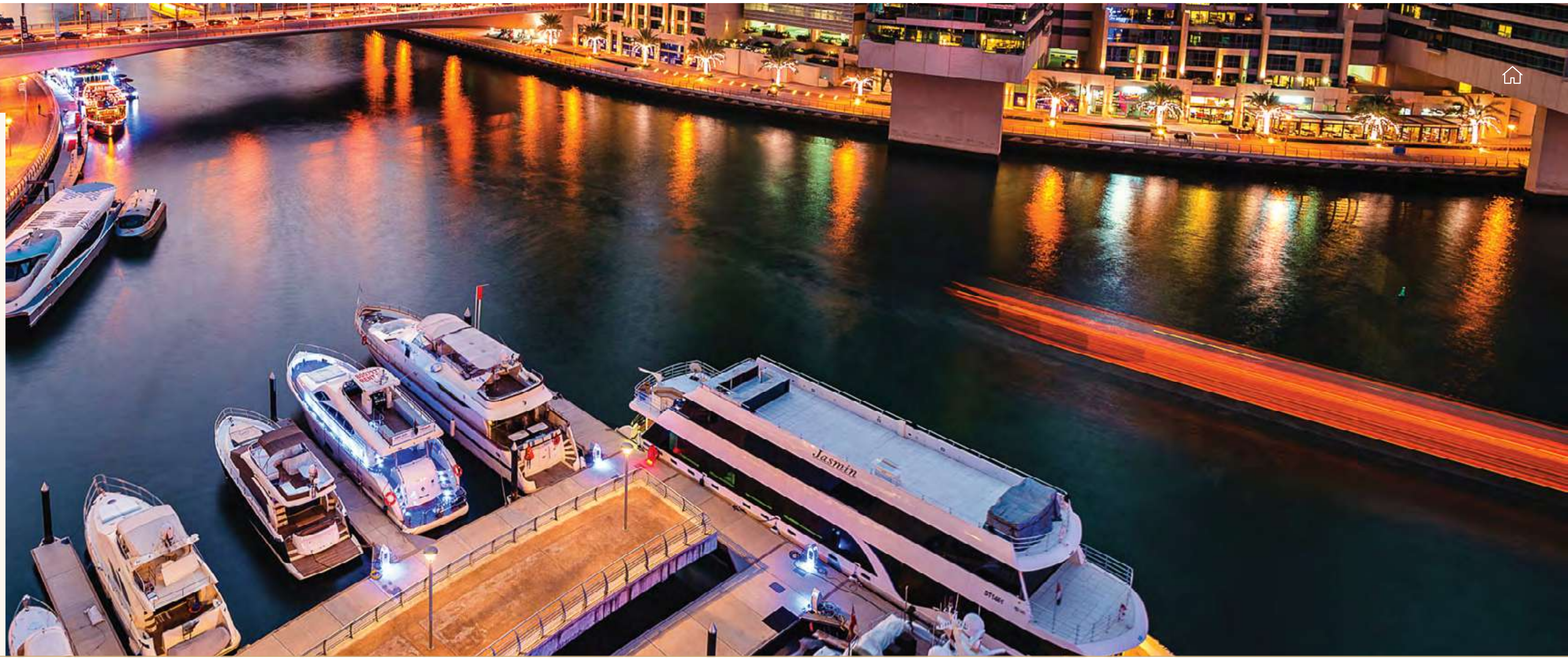
The Valley
Rivana

Dubai Hills Estate
Golf Grand

Rashid Yachts & Marina
Sunridge

Emaar South
Fairway Villas 2 (JV)

JV Joint Venture



In the second half of the year, we had a two-fold focus: New business launches and sustainability. With sustained growth in property sales and a late surge in tourism, driven by events such as COP 28, we ended the year with a strong financial and operational performance.

QUARTER 3

A New Cultural Experience

Cultural Fusion: Dubai Mall's Chinatown Grand Opening

In September 2023, Dubai Mall unveiled its latest addition - Dubai Mall Chinatown - an immersive space synergising shopping, cultural experience, and an authentic atmosphere.

At Chinatown, visitors can explore a souvenir market, offering a curated selection of Chinese handicrafts, textiles, and artefacts, perfect for those looking to bring a piece of China's heritage home. This extension not only enhances the mall's appeal but also strengthens economic ties between the UAE and China, adding to our commitment to expanding and refining our retail and leisure offerings.

Launch of New Projects

The Oasis
Palmiera

The Valley
Nima

Dubai Hills Estate
Greenside

Rashid Yachts & Marina
Clearpoint

QUARTER 4

Our ESG Progress

Updated our Materiality Assessment

Page 38

We updated our materiality assessment to capture evolving trends in the business and sustainability landscape.
We streamlined our material topics and identified 24 material topics, which will form the basis of our ESG strategy.

Embedding ESG within our Governance Framework

Page 86

We established an ESG Steering Committee to embed ESG considerations within our existing corporate governance framework and ensure an appropriate level of oversight of ESG topics. We also appointed a dedicated ESG head to develop and drive our ESG strategy.

Debuted at WETEX 2023 and Dubai Solar Show

We marked our inaugural presence at the Water, Energy and Technology and Environment Exhibition (WETEX) 2023, introducing the Emaar Sustainability Hub, an initiative designed to drive sustainability discussions, and showcase and explore sustainable technologies and solutions in urban development.

Launch of New Projects

The Valley
Alana

Ras Al Kheimah
Address Marjan

Dubai Hills Estate
Parkside Views | Club Drive | Park Gate

Rashid Yachts & Marina
Avonlea | Bayline

Our Journey of Growth and Excellence

As we step into a future shaped by Dubai's D33 Economic Agenda, Emaar is poised to play a pivotal role in this ambitious journey. Our path is aligned with Dubai's dynamic aspirations, mirroring our shared commitment to innovation, sustainable development, and the spirit of community.

Mohamed Ali Alabbar
Managing Director

Dear Shareholders,

Emaar achieved many milestones in 2023, and following a prosperous year, our achievements are indeed gratifying. By year-end, we had successfully sold around 150,000 units across the world, expanded our real estate portfolio, elevated our hospitality offerings, and forged new paths in technology and digital innovation. However, what is of significance is the path that lies ahead. We find ourselves in an era of change, transitioning towards a more sustainable, connected, and efficient future.

We recognise that the future of real estate is deeply intertwined with technological advancements that enhance operational efficiencies and enrich our customers' living experiences. Our investment in digital platforms and breakthrough technologies is a testament to our commitment to leading the way.

As we continue our journey, our strategic initiatives and plans are in lockstep with Dubai and its ambitious D33 economic agenda. We are not just participants in this transformative era but key contributors, fully committed to Dubai's vision of becoming a preeminent global centre for economic, cultural, and technological progress. In line with Dubai's vision for a greener future, our projects embody our dedication to environmental stewardship, reflecting our resolve to contribute to a sustainable future.

As Dubai extends its global reach, we see a horizon filled with possibilities to export our expertise and experience, always guided by our enduring principles of sustainability, innovation, and excellence.

Building Places People Prefer

For nearly three decades, Emaar has stood as a synonym for excellence in real estate. When you invest with us, you are not just acquiring property; you are embracing a legacy of quality that stands the test of time. At Emaar, we see our role as not just builders but also dream weavers for our customers and youth, shaping spaces for today and tomorrow. Every decision at Emaar is a step towards fulfilling this grand vision.

Our pride extends beyond constructing iconic skylines. We create experiences that resonate with our customers, tuning into the changing needs of the people who bring our communities to life. The profound connections we foster between our customers, communities, and people make our places more than just spaces – they thrive.

As we reflect on the year 2023, Emaar has demonstrated unwavering dedication to the growth of the UAE's economy and the enrichment of our society. Our financial contributions across the board have been both significant and impactful.

Our investment in our people, a cornerstone of our success, was evident with over AED 1.2 billion directed towards our employees' salaries and related costs.

We maintained the vitality of local services by disbursing AED 910+ million to utility providers and AED 35+ million to telecommunication services, ensuring our operations' seamless connectivity and sustainability.

We have successfully completed the payment of AED 6+ billion for the acquisition of land parcels from Government and quasi-government institutions in the UAE. This is a significant milestone in our strategic expansion plan and demonstrates our commitment to the development and prosperity of the nation. Through these land purchases, we aim to create value for our shareholders, customers, and partners by developing innovative and sustainable projects that cater to the diverse needs and preferences of the market.

Our engagements with contractors and suppliers reached a remarkable AED 10.3+ billion, reflecting our role in propelling the construction industry forward and supporting an extensive network of businesses and contributing to the local economy. Additionally, we have awarded construction contracts of around AED 15 billion in 2023 reaffirming our commitment to delivering world-class projects.

We spent AED 175 million towards fulfilling our contractual obligations with the Road and Transport Authority (RTA), affirming our commitment to the development of Dubai's enduring infrastructure projects. In tandem, our disbursements to various government departments totalled AED ~2.5 billion, illustrating our positive contribution to Dubai's economy.

Our unwavering commitment to operational excellence has yielded impressive results for Emaar, with our bank balance soaring to AED 33.9 billion—a near doubling from the previous year. This milestone underscores our robust financial performance and sound management practices. By maintaining robust cash flows, we're empowered to fuel further investments in projects that drive value and prosperity for our stakeholders. Our success not only reinforces our market leadership but also enhances the overall liquidity of the banking system, thus contributing significantly to the economic prosperity of our nation.

The footfall in our malls was an impressive 190 million, showcasing our retail spaces' prominence and appeal. Notably, our flagship asset, Dubai Mall, welcomed a record 105 million visitors, an increase of over 19% compared to the previous year, making the mall the most visited destination globally in 2023. Emaar's hospitality sector proudly served ~1.9 million guests generating revenues exceeding AED 2.8 billion (including managed hotels). This reflects the strength of our industry and our commitment to excellence in service.

Furthermore, at Emaar, we firmly believe that success isn't solely about financial gains; it's also about the positive impact we make on society. Over the past year, we have donated AED 54 million aimed at empowering women and youth, providing social housing for the underprivileged, environmental conservation, and promoting cultural diversity and inclusion. Moreover, we continue to remain partnered with our customers by maintaining the communities we have developed, where we have channelled community work of AED 1.3+ billion. We are proud of our achievements and contributions, but we also recognise that there is more work to be done. We will continue to uphold our corporate ethos of giving back to the community, and to align our business goals with our social responsibility.

Each figure represents not just monetary transactions but the essence of our commitment to the UAE's prosperity. Our concerted efforts have reinforced our role as a catalyst for economic and social development.

Contributing to Dubai's Prosperity

From the outset, Emaar has aspired to be more than a business entity; we have aimed to catalyse positive transformation. In partnership with Dubai's visionary leaders, we have played a pivotal role in metamorphosing Dubai into a vibrant hub of commerce, trade, tourism, and entertainment. Our destiny is entwined with that of Dubai, our beloved home.

As we step into a future shaped by Dubai's D33 Economic Agenda, Emaar is poised to play a pivotal role in this ambitious journey. Our path is aligned with Dubai's dynamic aspirations, mirroring our shared commitment to innovation, sustainable development, and the spirit of community.

The 'Sandbox Dubai' initiative under the D33 agenda resonates with our ethos of innovation. We are excited about exploring new technologies and business models that have the potential to revolutionise the way we live and work, creating intelligent, interconnected communities.

In 2023, our contributions to Dubai's property landscape were significant, directly reflected in our revenue, with Dubai being a major contributor. Our financial engagements extended across various sectors, making substantial payments worth billions to stakeholders, suppliers, contractors, and key government bodies such as the Dubai Land Department, DEWA, RTA, Dubai Civil Defence, and the Department of Economic Development.

We are pleased that Emaar's activities in Dubai, through both direct operations and indirect influence, significantly contributed to the city's thriving economy in 2023, amounting to a substantial AED 74 billion. This underscores our commitment to being a constructive part of Dubai's economic landscape and working alongside the community for mutual growth.

Our cultural ethos is mirrored in our customer base, where around 40% of our residential property buyers are non-residents, symbolising Dubai's diverse and dynamic nature. They pledged AED 14.7+ billion of foreign direct investment of which more than AED 4 billion has already been invested. As we continue to grow, our core aim remains steadfast: to be integral to the continued success of Dubai and the United Arab Emirates.

Furthermore, our commitment to nurturing local talent aligns seamlessly with the D33 agenda's focus on integrating young Emiratis into the job market. At present, approximately 18% of our Dubai workforce comprises Emirati talent, and we are persistently striving to enhance their participation within our overarching human resources framework. Our human capital strategy is centred on training and developing the youth, preparing them for the challenges and opportunities of the future.

The Year That Was

Navigating through various economic cycles, Emaar's brand has consistently demonstrated resilience and strength.

For me, the journey has always been about nurturing and sustaining an incredible brand; this year has reaffirmed that commitment.

Our performance this year is a testament to Dubai's enduring appeal. The success of our newly launched projects, with a high percentage of units already sold, reflects this allure.

We recorded group property sales and revenues of AED 40.3 billion and AED 26.7 billion, marking a growth of 15% and 7%, respectively, compared to the previous year.

This sustained performance results from the booming tourism sector, increased retail sales, and a vibrant real estate market.

I am proud to highlight the success of our recurring-revenue portfolio in 2023, including malls, hospitality, leisure, entertainment, and commercial leasing, which achieved remarkable revenue growth. This is coupled with a substantial increase in net profit, outstripping our performance in the previous year. The strategic initiatives we have embraced over the past two years and a buoyant real estate and retail sector have fuelled this profitable growth trajectory.

In 2023, Emaar showcased its ability to adapt and thrive amidst challenges. Our strategic focus areas have kept us agile, resilient, and efficient, as reflected in our robust performance.

UAE Development

Our UAE build-to-sell property development business sustained its momentum in 2023. With the successful launch of 27 new projects across all master plans in the UAE, it achieved sales of AED 37.4 billion, reflecting a growth of over 21% compared to 2022. Led by a strong Dubai property market, we delivered over 12,000 units in 2023, with over 25,500 units in the pipeline for delivery.

Notably, we announced a significant expansion of our flagship residential development, "The Oasis." This growth not only increases its size but also enhances its vision, introducing new projects and further elevating Emaar's sales. The master plan, which has a value of AED 73 billion, embodies our goal of creating luxury living spaces with sustainability, establishing The Oasis as a model for opulent living in Dubai's dynamic landscape.

We have also launched our inaugural project in Ras Al Khaimah, featuring over 1,100 units, with an anticipated completion slated for 2028.

Our ambition is both bold and clear: to keep Dubai at the top of the global city rankings. We aim to achieve this by harnessing cutting-edge technology not only to comprehend but also to anticipate and influence future trends. As a reflection of this commitment, we have launched two new destinations in the city, namely The Heights Country Club and Grand Club Resort (adjacent to the recently unveiled The Oasis), with a combined development value of AED 96 billion.

Emaar International

Our international real estate operations achieved property sales of AED 2.9 billion in 2023. Revenues from international operations represented over 12% of our total revenue, primarily driven by operations in Egypt and India. Our operations in India experienced a 4x increase in property sales compared to the previous year, driven by the introduction of new launches.

We are gearing up to launch several projects in India over the next 4 to 5 years, with a total development value of ~US$ 2.5 billion covering over 12 million square feet of real estate, further solidifying our presence and expanding our footprint in key Indian cities.

Emaar Malls, Retail, and Commercial Leasing

Our shopping malls, retail, and commercial leasing operations achieved revenue of AED 5.8 billion in 2023. This performance is credited to robust tenant sales reaching over AED 30 billion in the UAE, which grew by over 21% compared to the previous year. Our mall assets achieved an average occupancy of 97% as of 31 December, 2023.

Notably, Dubai Mall unveiled its latest addition, Dubai Mall Chinatown with a week-long China cultural event. This new extension not only enhances the Dubai Mall's appeal but also strengthens the strategic economic ties between the UAE and China.

Emaar Hospitality, Leisure, and Entertainment

Our hospitality, leisure, and entertainment divisions recorded a growth in revenues of ~20% compared to 2022, reaching AED 3.4 billion. This growth was driven by a consistent recovery in the tourism industry, coupled with strong domestic spending.

Emaar's UAE hotels, including those under our management, increased their average occupancy to 72% and sustained their Average Daily Rates level. We expanded our portfolio of hotels, both domestically and internationally, by introducing ~1,600 new hotel keys. This growth was marked by the opening of Vida Creek Beach in Dubai and Address Jabal Al Omar Makkah.

Moreover, our entertainment and other operations have demonstrated a strong performance, primarily driven by the growth in tourism and the growth of the local population.

Much Done, Much More to Do

The financial year we have just closed has been strong in many ways. We have a significant revenue backlog of ~AED 72 billion, creating a foundation for future stable revenue. The strong performance from our recurring revenue business further fortifies our position, setting the stage for sustained growth in the future. Moreover, our strategic capital deployment plan for the next five years provides an additional boost to our recurring revenue operations. The assets developed through this plan are expected not only to contribute to our revenue streams but also to elevate the sales price premium on properties surrounding these projects.

As we move forward, I am confident that we have the right strategy to deliver on our purpose. Our consistent performance in enhancing sales and profitability reflects our strategic focus on developing premier residential environments. Our commitment to excellence resonates with our clientele, reinforcing their confidence in our brand. In 2024, our robust project pipeline, brand positioning, and market insights will ensure we remain on a path of sustained growth and success.

I am confident that the alignment and commitment of our shareholders, Board, and management will help us navigate these dynamic times, and deal with the ever-evolving business landscape. Moreover, the unwavering support and visionary guidance from the UAE Leadership will continue to further enhance our performance, enabling us to achieve and surpass our goals.

Our progress during the year was made possible by the ongoing support of our shareholders, and I would like to thank them for their commitment. I extend my sincere appreciation to the team at Emaar for their dedication and pursuit of excellence. I also express my heartfelt gratitude to the Board of Directors for their continued guidance.

Finally, I would also like to thank all our stakeholders for their support and look forward to their constant support as we embark on our journey to propel the company to greater heights.

Mohamed Ali Alabbar

Managing Director

TRANSFORMING LIFESTYLES

Emaar Properties is one of the world's most admired real estate development companies. The architects of modern Dubai, we give shape to aspirations and transform lifestyles with a focus on design excellence, building quality, and timely delivery.

IN THIS SECTION

26 YEARS OF EXCELLENCE

For over two decades, Emaar has been setting benchmarks in the real estate industry with our innovative developments, iconic structures, and commitment to quality. Our transformative projects have reshaped landscapes, offering unparalleled living experiences to communities worldwide.

AT A GLANCE

Integrated Urban Living

We are a global leader in real estate and Dubai's biggest listed developer with a net asset value of AED 177.5 billion#. Beyond iconic buildings, we craft self-contained micro-cities integrating residential, commercial, and recreational spaces, embodying a commitment to sustainable and harmonious urban living.

Emaar Properties in a Snapshot

AED 70 Bn (US$ 19 Bn)
Market capitalisation as at 31 December 2023

~1.7 Bn sq. ft.
Landbank in countries of operation

~13 Mn sq. ft.
GLA of malls and retail centres globally (~**10 Mn sq. ft.** in Dubai)

S&P, Moody's, and **Fitch** upgraded the credit ratings to **BBB, Baa2,** and **BBB**, respectively, with a stable outlook

UAE Development

#1 Build-to-sell developers in MENA

Landbank	Units delivered	Units under construction	Masterplans
400 Mn sq. ft.	70,000+	25,500+	15

Emaar International

Developers of masterplans, malls, and hotels in 12 key countries

Landbank*	Units delivered>	Units sold>	Hotels
~1.3 Bn sq. ft.	42,000+	48,300+	10

Emaar Malls Management ^

Developers of the most visited mall in the world – Dubai Mall

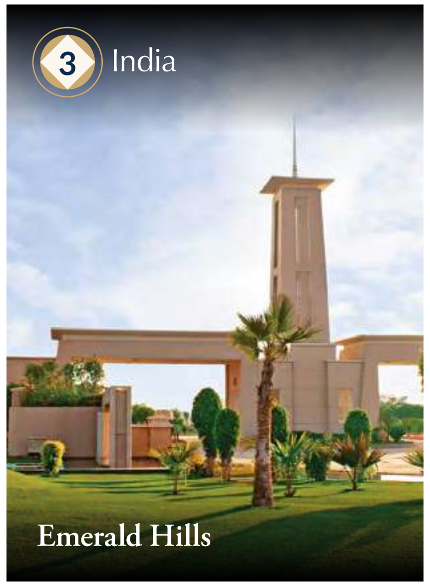
Gross Leasable Area (GLA):	Total portfolio	Total brands	Occupancy
9.7 Mn sq. ft.	3,000+ Retail Units	2,200+	97%

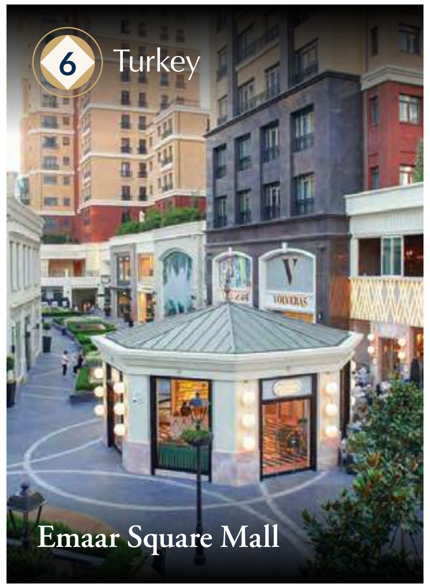
Hospitality, Leisure & Entertainment and Commercial Leasing

Operators of three distinctive global hotel brands and 12+ leisure & entertainment destinations

Total hospitality portfolio	Total keys@	GLA
34 hotels	8,700+	~2.5 Mn sq. ft.

* This includes 1.1 Bn sq. ft. in Emaar, The Economic City in Saudi Arabia
^ Including JV
# Fair Value
> Since inception
@ Excludes hotel keys whose management agreement got terminated as at December 2023





A Legacy Defined by Our Creations

Characterised by our exquisite design aesthetics, choice of location, architectural excellence and world-class amenities, our properties and signature assets across every real estate segment have created an unmatched legacy that defines us and leaves its deep imprint on cityscapes, neighbourhoods and the lives of communities that inhabit these spaces.

UAE Development

Downtown Dubai

- 500-acre flagship mega-development
- One of the most visited destinations in the world
- Includes world's tallest building and world's most visited mall

Dubai Marina

- Largest man-made Marina (3.5 sq. km) development of its kind
- Total development area of 66 Mn sq. ft.
- Includes c.0.4 Mn sq. ft. Dubai Marina Mall

Emaar International

Emaar Square Mall in Turkey, presents diverse shopping, entertainment, and gastronomic experiences. As a city focal point, it hosts year-round events and holds the distinction of being one of Turkey's biggest mixed-use projects together with the Emaar Square project. The adjacent Address Hotel Istanbul adds a touch of luxury through its Skyview terrace and premium services.

Total Area 1.6+ Mn sq. ft.	Footfall ~11 Mn+
No. of retail outlets 300+	Occupancy +85%
GLA 1.48 Mn sq. ft.	

The Views epitomises luxury living with its breathtaking seascape and sophisticated interiors. Positioned as part of the signature integrated masterplan development of Karachi's Oceanfront, it offers a dreamy lifestyle, blending beauty and inspiring scenery for a truly enchanting residential experience.

Gross asset value* AED 656 Mn	No. of residential units 410+
GLA 916,232 sq. ft.	Area under development 1.38 Mn sq. ft.

* Book value

Emaar Malls Management

Situated at Downtown Dubai's beating heart, a distinguished shopping destination featuring luxury retailers, marquee global brands, and major tourist attractions.

GLA	Occupancy
4.9+ Mn sq. ft.	99.7%
Footfalls:	Retail Outlets
105+ Mn	1,300+

A premier lifestyle destination punctuated by a unique selection of retail, dining, and entertainment concepts that stimulate one-of-a-kind experiences.

GLA	Occupancy
2+ Mn sq. ft.	97.9%
Footfalls	Retail Outlets
17.5+ Mn	550+

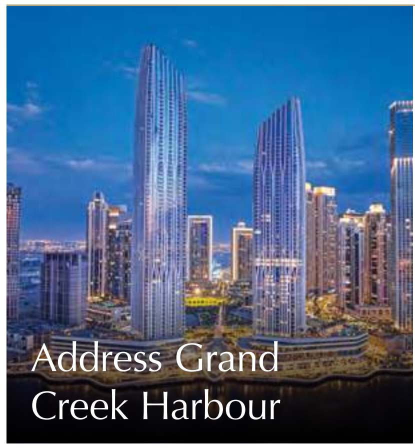
Hospitality

Address Hotels + Resorts*	Vida Hotels and Resorts	Armani Hotels
Hotels	Hotels	Hotels
13	6	2
Keys	Keys	Keys
3,800+	1,000+	250+

* Includes Al Alamein Hotel having 189 keys

A premium lifestyle hotel with plush rooms, uniquely positioned to offer a captivating view of Burj Khalifa and the beautiful cityscape.

Gross asset value*	No. of keys
AED 691 Mn	220



The first 5-star luxury hotel in Dubai Creek Habour. This architectural spectacle offers scenic views of old Dubai on one side and the majestic skyline of new Dubai on the other.

Gross asset value*	No. of keys
AED 583 Mn	223

A scenic getaway overlooking the man-made Crystal Lagoon at Dubai's Creek Harbour, a timeless holiday destination with culinary delights, exciting adventures and more.

Gross asset value*	No. of keys
AED 198 Mn	99

Leisure and Entertainment

At The Top, Burj Khalifa
World's highest observation desk

Dubai Aquarium & Underwater Zoo
Features one of the world's largest acrylic viewing panels

Dubai Ice Rink
Olympic-sized ice-skating and events venue

The Storm Coaster Dubai Hills Mall
Entered into Guinness World Records as the 'Fastest Vertical Launch Rollercoaster'

and many more attractions...

* Book value

HOW WE CREATE VALUE

INPUTS → VALUE CREATION PROCESS → OUTPUTS → CONTRIBUTION TO UN SDGS

INPUTS

Financial Capital

Development properties*:	AED 41 Bn
Investment properties*:	AED 21.5 Bn
Bank balances and cash*:	AED 33.8 Bn
Gross debt*:	AED 12.3 Bn
Total equity*:	AED 86.8 Bn

Manufactured Capital

Total gross landbank*:	~1.7 Bn sq. ft.
Units under construction*:	33,700+

Human Capital

Total employees across the Group#:	8,296
Average hours of training per year per employee across the Group:	3.8 hours
Safety audits conducted^:	3,277

Social and Relationship Capital

CSR expenditure by the Group, including contributions from Emaar Foundation:	AED 54 Mn
Active suppliers^:	2,953

Natural Capital and Environmental Stewardship

Renewable energy capacity^:	11.74 MWp
Total energy consumption^:	896.92 GWh
Total water consumption^:	901.53 Mn IG
Total district cooling energy consumption^:	281.28 GWh

* The figure mentioned is on a consolidated basis
\# Includes permanent employees, temporary workers and interns
^ The figure mentioned is for UAE only
@ Attributable to Owners

VALUE CREATION PROCESS

OUR BUSINESSES

UAE Development
Page 26

Emaar International
Page 28

Emaar Malls
Page 30

Emaar Hospitality, Leisure, Commercial Leasing, and Entertainment
Page 32

STRATEGY

- Maintain leadership
- Focus on execution
- Maximise stakeholder returns

OUTCOMES

Impact on Dubai's Economy

- Payments worth AED 13+ billion made to stakeholders, suppliers, contractors, and key entities such as Etisalat and government bodies such as DEWA, RTA, Dubai Civil Defence, and the Department of Economic Development.

Projects completed

- 12,000+ units delivered in 2023^

OUTPUTS

Financial Capital

Revenue growth*:	7%
Net profit@ growth*:	70%
RoCE*:	16%

Manufactured Capital

Units delivered in the UAE:	70,200+
International units delivered:	42,000+
Average occupancy rate of hospitality business^:	72%
Average occupancy rate of Emaar Malls^:	97%

Human Capital

Proportion of female workforce (FTEs)^:	25%
Total safe manhours worked^:	117 Mn hours
Lost Time Injury Frequency Rate^:	0.025%
Employee engagement score^:	4.5/5
Total number of fatalities across the Group^:	Zero

Social and Relationship Capital

Customer satisfaction score^:	92.6%
Total customer service requests resolved^:	99%

Natural Capital and Environmental Stewardship

Waste segregation rate^:	33%
Renewable energy consumption^:	17.90 GWh
GHG emissions abated through renewable sources^:	7,246.41 $MTCO_2eq$
Total CO_2 savings from sustainable district cooling^:	101,690 $MTCO_2$

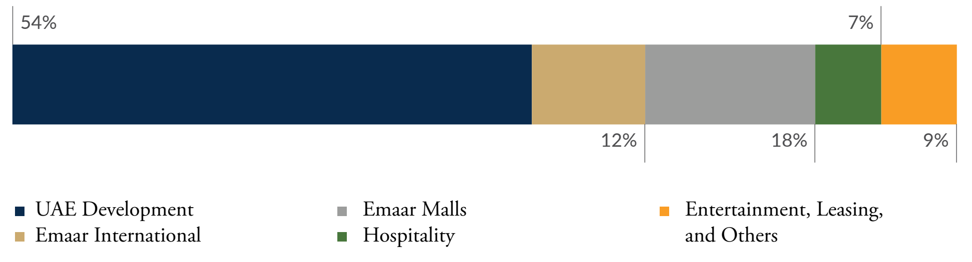
DIVERSIFIED AND DE-RISKED BUSINESS MODEL

Our organisation strategically promotes a business mix that is marked by a strong upside in the development business, complemented by the steady growth of recurring businesses. This approach makes our business model agile and resilient, with strong upside potential.

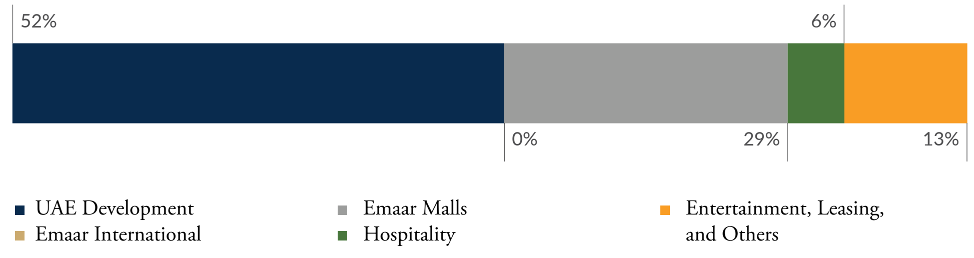
IN THIS SECTION

Segment-wise Breakup of Revenue and EBITDA

Revenue share
(%)



EBITDA share
(%)

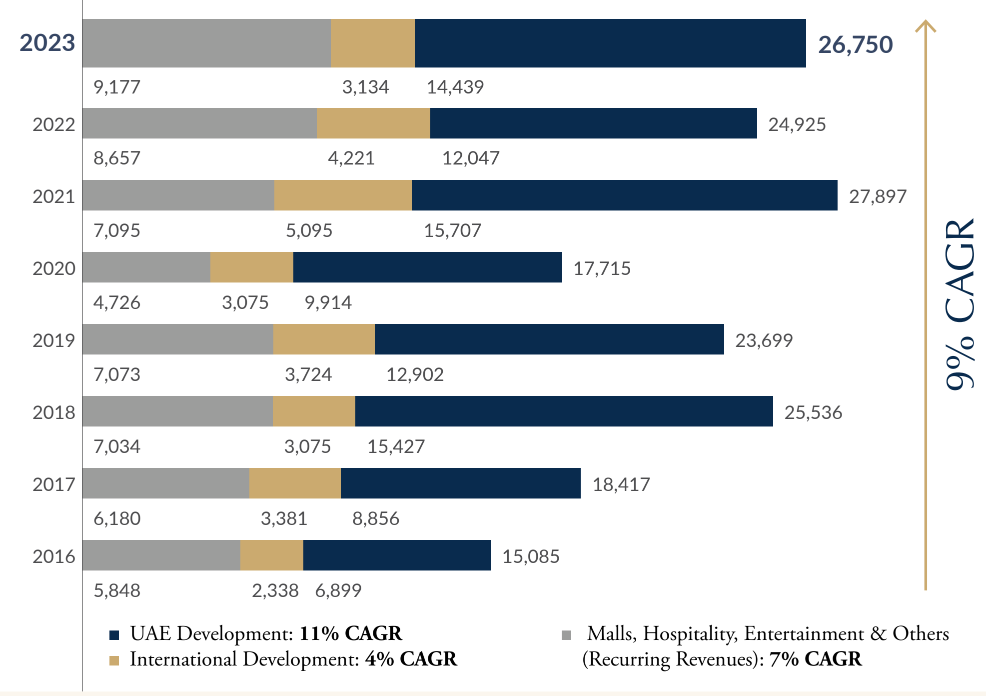


Contribution from recurring businesses

34%
Revenue

48%
EBITDA

Total revenues
(AED Mn)



OUR BUSINESSES

UAE Development

Backed by our focus on customer-centricity and the primacy we give to exclusivity and convenience, we are able to drive sustained business growth and success. In 2023, we launched 27 new projects in the UAE across all masterplans, further expanding our portfolio and reinforcing our dedication to quality and excellence.

Key Strengths

- I. Long term value creation through integrated master developments centred around iconic assets
- II. Pre-sales model utilised - cash inflows from customers' instalments finance construction costs
- III. Development projects in prime locations, commanding premium prices
- IV. Strong customer trust and brand loyalty

The Oasis by Emaar: Creating a New Paradigm of Luxury Living

100 Mn sq. ft.
Total land area

25%
Open spaces of total land

7,000+
Residential units

Palmiera
Featured property

Our latest launch of a uniquely crafted masterpiece, ***The Oasis***, is a sprawling ~100 million sq. ft. development that redefines opulence in Dubai. This US$ 20 billion project showcases architectural brilliance and top-tier services. Surrounded by lush greenery and flowing waterways, the meticulously designed mansions, and villas, crafted by world-renowned architects and interior designers, are an epitome of sophistication. Unobstructed, open spaces seamlessly connect indoors to outdoors. A case study in refined waterside living, The Oasis embodies the future of luxurious residences. Positioned as a golfer's haven near four international courses, The Oasis is set to emerge as a lifestyle destination of unparalleled grandeur, offering breath-taking views of water canals, lakes, and parks.

Key Numbers

~0.5%
Customer default rate, of sales value

12,000+
Units delivered

25,500+
Units under construction

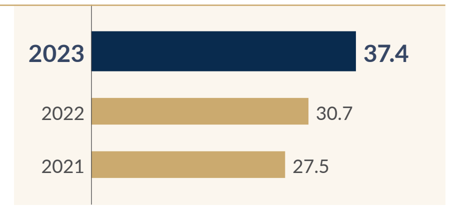
400 Mn sq. ft.
Land bank

AED 62.1 Bn
Revenue backlog

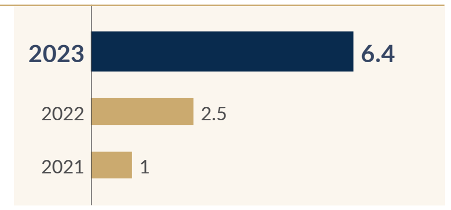
Business Performance in 2023

- Recorded revenue of AED 14.4 billion and contributed 54% to the total revenue of the Group
- Maintained strong property sales momentum, achieving property sales valued at AED 37.4 billion, reflecting a y-o-y growth of over 21%
- Revenue backlog stands at AED 62.1 billion, ensuring a solid foundation for future growth
- Net profit* reached AED 6.4 billion, registering a 156% y-o-y growth

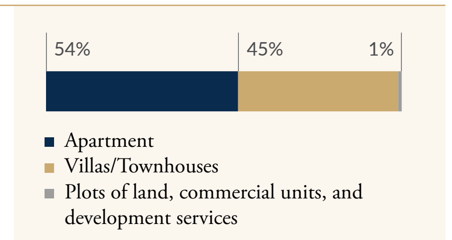
Property sales
(AED Bn)



Net profit*
(AED Bn)



Revenue breakup, 2023
(%)



Outlook

The UAE residential market is expected to remain strong, and we are uniquely positioned to make significant progress backed by our strategic initiatives to scale and enhance our returns in the future. Capitalising on Dubai's reputation as a city of 'live, work, and play', we are sharpening our strategy to be one of the world's most valuable, most innovative, and most admired companies.

*Attributable to Owners

OUR BUSINESSES

Emaar International

Mirroring our successful Dubai strategy across MENA and South Asia, Emaar International harbours robust landbanks, integrated masterplan-led development, and iconic assets. Enabled by our deep understanding of the market dynamics in each location, we are able to strategically tailor our products to meet the needs of diverse demand segments in specific locales.

Key Strengths

I. Successful expansion of Emaar's development model to international locations

II. ~1.3 Bn sq. ft. land bank in key countries*

III. Established brand in regional countries with strong growth potential

IV. Leveraging experience gained in Dubai and brand recognition

* Including 1.1 Bn sq. ft. in Emaar, The Economic City in Saudi Arabia.

Key Numbers

~1.3 Bn sq. ft.
Land bank

42,000+
Units delivered since inception

48,300+
Units sold since inception

8,200+
Units under construction

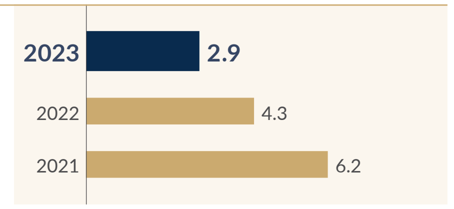
Business Performance in 2023

- Recorded revenues totalling AED 3.1 billion, contributing 12% to the total revenue
- International development maintained strong property sales momentum, achieving property sales valued at AED 2.9 billion
- Revenue backlog stands at AED 9.7 billion, thus securing future growth
- The performance is primarily driven by operations in Egypt and India
- Despite strong performance, international numbers were negatively impacted by the 21% devaluation of the Egyptian Pound

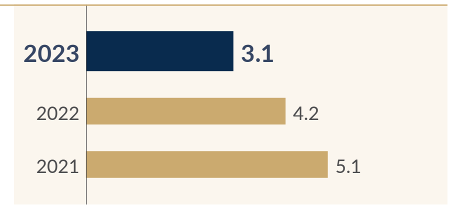
International Development – Land Bank Details

International Land Bank	Gross Land Area (Mn Sq. Ft.)
Saudi Arabia (Emaar Economic City)*	1,119.4
Saudi Arabia (Emaar Middle East)	2.2
India (Emaar India)	128.5
Egypt	32.7
Pakistan	9.6
Lebanon	1.7
Total Key International Markets	**1,294.1**

Property sales
(AED Bn)



Revenue
(AED Bn)



Outlook

Our international expansion targets strong markets, notably in Egypt and India, aiming for resilience against market fluctuations. By strategically focusing on key markets, diversifying our portfolio, and enhancing brand reputation, we are positioning ourselves for sustained growth and value creation.

* Emaar Economic City is an associate of Emaar.

OUR BUSINESSES

Emaar Malls

Emaar Malls Management is instrumental in our recognition as one of MENA's largest integrated real estate companies. Dubai Mall, a global attraction with over 105+ million annual visitors in 2023, it was the most visited place on Earth, setting the benchmark for our retail expansions across the world.

Key Strengths

- I — Creating urban lifestyle destinations and unique retail experience
- II — Robust revenue model with rent set at the higher of base rent or turnover rent
- III — Short tenant lease terms of 3-5 years allowing active tenant management
- IV — Featuring diverse retailers, marquee brands, and exclusive offerings

Dubai Mall Offers a Glimpse of China

An extension that strengthens economic ties between the UAE and China

In September 2023, Dubai Mall unveiled its latest addition - Dubai Mall Chinatown - an immersive space synergising shopping, cultural experience, and an authentic oriental atmosphere. At Chinatown, visitors can explore a souvenir market, offering a curated selection of Chinese handicrafts, textiles, and artefacts, perfect for those looking to bring a piece of China's heritage home. This extension not only enhances the mall's appeal but also strengthens economic ties between the UAE and China, adding to our commitment to expanding and refining our retail and leisure offerings.

Key Numbers

9.7 Mn sq. ft.
GLA in retail

~3.2 years
Weighted average lease term

3,000+
Retail units

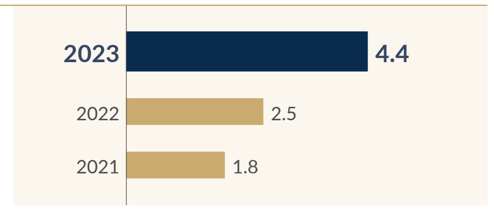
2,200+
Brands

190 Mn
Footfall^

Business Performance in 2023

- Achieved a revenue of AED 4.9 billion
- The portfolio achieved an EBITDA of AED 4.3 billion, marking a 42% increase over last year*
- This success is credited to robust tenant sales, which grew by around 21% compared to 2022
- Mall assets achieved an impressive average occupancy rate of 97%

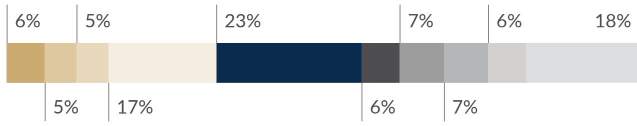
Net profit@
(AED Bn)



(AED Bn)

	2023	2022	2021
Rental income	**4.7**	3.6	3.3
Base rent	**3.2**	2.5	2.4
Net turnover rent	**0.5**	0.2	0.1
Service & other charges	**0.5**	0.4	0.4
Other rental income#	**0.5**	0.5	0.4

Diversified tenant and category mix
(%)



- Health and beauty
- Furnishings
- Luxury fashion
- Food and beverage
- Apparel and accessories
- Offices and workshops
- Entertainment
- Department store
- Supermarket
- Others

Outlook

Emaar Malls witnessed a significant surge in visitor numbers, particularly at Dubai Mall, surpassing pre-COVID levels. We strive to enhance our visitors' and retailers' experience, and expanding our geographic footprint leveraging Emaar's growing communities through differentiated retail offerings carefully curated to meet customers' needs.

* After excluding the gain on the sale of Namshi in Q1 2023.
\# Income from specialty leasing, multimedia sales, terrace & storage rent, various other fees and interest charges on deferred payments.

^ Footfall across malls managed by Emaar.
@ Attributable to owners

OUR BUSINESSES

Emaar Hospitality, Leisure, Commercial Leasing, and Entertainment

Emaar Hospitality manages diverse assets and brands such as Address Hotels + Resorts, Vida Hotels and Resorts, Armani Hotels, and Rove Hotels (JV with Meraas). These assets cater to discerning individuals, preserving regional traditions and offering world-class facilities that elevate customer experiences.

Key Strengths

I
Offering a portfolio of high-quality hospitality assets and undertaking proactive asset management functions

II
Renowned brands as reflected in superior ADRs and Occupancy levels compared to market

III
Unique leisure and entertainment venues complementing retail assets

IV
Entertainment and leasing portfolio of ~2.5 Mn sq. ft. of GLA

Melding of Luxury and Divinity at Address Jabal Omar Makkah

~1,500
Total keys

4
Dining concepts include two restaurants and one lobby and club lounge each

In 2023, we launched Address Jabal Omar Makkah, featuring around 1,500 keys in Saudi Arabia, nestled in the heart of Makkah, a mere 500 metres from Al Masjid Al Haram, Address Jabal Omar Makkah signifies an epitome of luxury. This 5-star haven blends opulence and convenience, featuring a retail space with stores that feature local, regional, and international brands, diverse dining options, business conference rooms, and curated services. Hosting the world's highest prayer room for 500 people, it offers unrivalled views of the Holy Kaaba.

Key Numbers

34
Operating hotels and JV hotels

72%
Average occupancy rate in UAE

8,700+
Keys across hospitality portfolio*

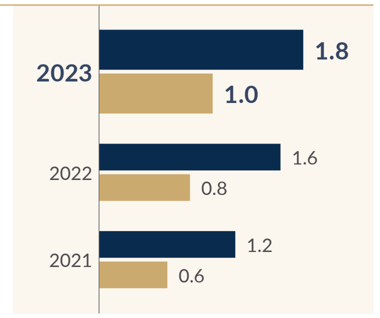
12+
Leisure and entertainment destinations

~2.5 Mn sq. ft.
Commercial leasing space in Dubai

Business Performance in 2023

- The hospitality, leisure, commercial leasing, and entertainment businesses recorded revenues of AED 4.3 billion, showcasing a 22% growth compared to 2022
- Growth was driven by a consistent recovery in the tourism industry, coupled with strong domestic spending
- Emaar's UAE hotels, including those under management, reported an average occupancy rate of 72% and sustained its ADRs level
- We expanded our collection of hotels, both domestically and internationally, and added around 1,600 new hotel keys with the opening of Vida Creek Beach in Dubai and Address Jabal Al Omar Makkah

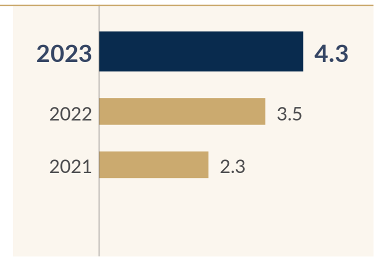
Hospitality business



Revenue (AED Bn)
EBITDA (AED Bn)

Revenue from Hospitality, Entertainment and other business

(AED Bn)



Outlook

Emaar Hospitality foresees a promising 2024, anticipating more than 3% RevPar growth (like for like) fuelled by a balanced rise in ADR and Occupancy. With an expansion strategy, including additional room keys and a volume-driven approach, the portfolio is set to thrive. Over the next four years, a 4% annual increase in occupancy and a 2% growth in RevPAR is expected.

* Excludes hotel keys whose management agreement got terminated as at December 2023.

BUILT ON STRENGTH, PRUDENCE, AND RESILIENCE

Our strategic focus is centred on consolidating and preparing for the next phase of value creation, which will be built around strengthening our diversified portfolio of assets.

IN THIS SECTION

Unity For Change

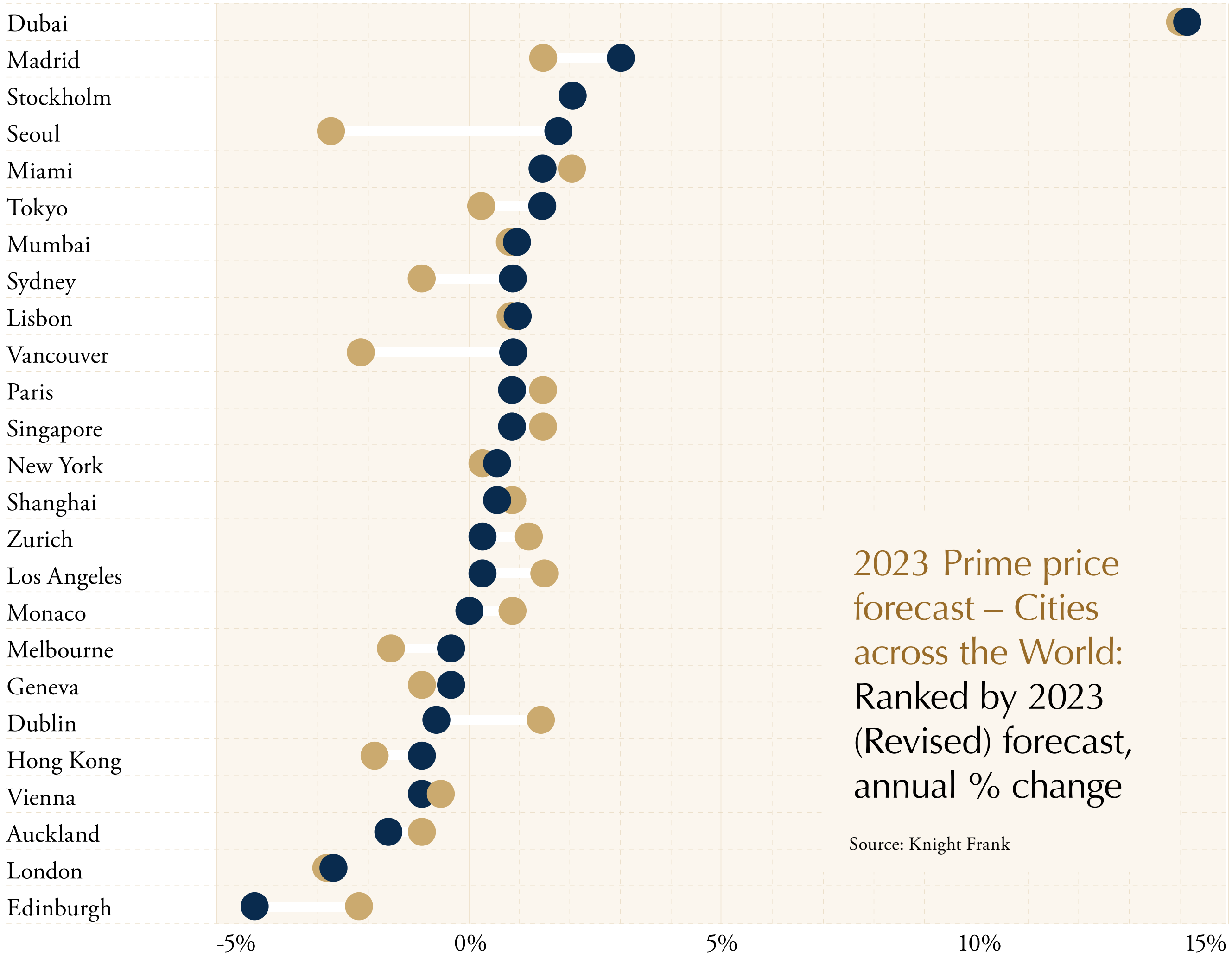
In a landmark move towards sustainable practices, Chalhoub Group, LVMH, Emaar Malls Management (LLC), Majid Al Futtaim Properties LLC, and Aldar Properties PJSC joined forces to create the 'Unity For Change' taskforce. This is a pioneering partnership among prominent retailers and real estate developers in the United Arab Emirates, with a shared commitment towards sustainability goals focusing on water consumption, air conditioning efficiency, the use of clean energy, and sustainable design and construction practices.

Staying Future-Focused

While adapting to new and emerging market trends, we continue to leverage our strengths and focus on de-risking and diversifying our business so that we can further consolidate our position in established markets and scale up our operations beyond the UAE.

Notwithstanding the geopolitical challenges and staggered economic recovery across the world, the real estate sector is predicted to continue its phenomenal run in the next few years. As in other industries, smart technology and emphasis on sustainability will influence the sector, driving it towards greater transformation and more diversification.

At Emaar, we are ready for the challenges ahead with clear strategic priorities and carefully devised business strategy. Moreover, with revenue streams from diverse real estate assets, our financial strength is reinforced by careful debt management and access to equity markets. Our strategic vision is backed by a resilient and thriving business model that helps us seize opportunities for sustained growth and success.



2023 Prime price forecast – Cities across the World: Ranked by 2023 (Revised) forecast, annual % change

Source: Knight Frank

● 2023 (INITIAL) ● 2023 (REVISED)

Consolidate and prepare for the next phase of growth

Maintain leadership position in our markets

Focus on execution and cash flow generation

Focus on maximising shareholder returns

Retail Growth Strategy

Leverage superior asset mix

- Offer diverse retailing experience - super-regional malls, regional malls, specialty retail, community retail centers
- Constant innovations and improvements to deliver superior experiences
- Well-entrenched in existing catchments and categories
- Increase competitiveness and enhance customer convenience

Robust Retail Space Growth

- Well-planned extensions at Dubai Mall to enhance customer experience
- Leverage Emaar master developments to expand community retail centres
- Grow our portfolio in the local market with the timely completion of upcoming retail assets
- Potential growth through the acquisition of third-party retail assets in the UAE and the GCC

Quality and Profitability of Retail Assets

- Diversify lease payment risk across a significant number of tenants
- Maintain flexible lease terms with active tenant management
- Maintain high margins and strong collection rates
- Offer unique complementary attractions

Development Strategy

Leverage the strength of master developments

- Leverage on the existing master community developments to launch new projects
- Provide 'city within a city' experience to our customers

Product innovations

- Unique product offering for Millennials
- Optimised unit size with larger community facilities
- Wider price-product range

Marketing to International Customers

- Targeting international customers
- Business development in China, India, Saudi Arabia and other countries

Well-planned execution and delivery

- Timely completion of projects under development
- Healthy cash flow generation

Development through JV/JDAs

- Access to premium land through JV with GREs
- Preferred Development Partner for GREs
- Expansion and penetration of the Emaar Brand in existing and new markets over the longer term
- Return on Capital Accretive – lower capital (minimum immediate cash outlay for land purchase)
- Earn development profit share and project management fees
- Conserved cash to be used for judicious purchase of prime land

Aligning Perspectives, Identifying Priorities

Engaging with stakeholders is crucial to successful strategic planning. The materiality assessment we undertook during the year gave us a clear understanding of stakeholder concerns and helped us prioritise our ESG agenda.

Stakeholder Engagement Framework

Assess the stakeholder groups who impact and are impacted by our organisation Prioritisation based on influence, interdependency, and responsibility	Customised engagement strategies for every stakeholder group Diverse communication and interaction platforms For materiality 2023, we utilised online questionnaires
Stakeholder identification and prioritisation	**Stakeholder engagement**
Strategic response	**Key stakeholder concerns raised**
Developing action plans to align business activities with expectations	Robust mechanisms for stakeholders to express concerns Committed to addressing those concerns

Our Key Stakeholder Groups

Why are they important to us?	How do we engage with them?	Their most material topics	Value created in 2023
Investors and Shareholders			
Providers of capital to the business, as well as valuable feedback on our financial and strategic performance.	• Quarterly Earnings Call • Quarterly presentations • Annual General Meetings • Feedback on annual disclosures	• Data Privacy and Security • Climate Change Adaptation • Climate Change Mitigation • Water Management • Waste Management • Sustainable Material Use, Design, and Construction • Board Oversight and Accountability • Anti-Corruption and Bribery Prevention • Legal and Regulatory Compliance	• Return on capital employed: 16% • Earnings per share: AED 1.32
Financial Institutions			
Play a crucial role by providing funding, investment opportunities, and financial expertise, supporting our growth and strategic initiatives.	• Quarterly Earnings Call • Quarterly presentations • Annual General Meetings • Feedback on annual disclosures	• Data Privacy and Security • Climate Change Adaptation • Climate Change Mitigation • Water Management • Waste Management • Sustainable Material Use, Design, and Construction • Board Oversight and Accountability • Anti-Corruption and Bribery Prevention • Legal and Regulatory Compliance	• Total shareholder return: 51%
Customers			
Serving our customers is the reason we exist. At the core of Emaar's culture is meeting the needs of all our customers.	• Customer relationship management programmes on digital platforms • Community events • E-mailers and newsletters	• Health, Safety, and Wellbeing • Customer Satisfaction • Ethics and Transparency • Legal and Regulatory Compliance	• Total customer service requests resolved in the UAE: 99% • Customer satisfaction score: 92.6%
People			
Our people put our strategy into practice, live our culture, and enable us to achieve our purpose. Ultimately, they create value for our stakeholders.	• Employee forums • Training and development sessions • Employee townhalls • E-mailers and newsletters	• Talent Attraction and Retention • Health, Safety and Wellbeing • Legal and Regulatory Compliance • Risk Management • Customer Satisfaction	• Average training hour per employee per year for the Group via online learning platforms: 3.8 hours • H&S related job specific training provided to workers across UAE, Egypt and India: 37,331 Hours

Why are they important to us?	How do we engage with them?	Their most material topics	Value created in 2023
Suppliers and Contractors			
Their vital contributions to our business range from providing goods and services, ensuring project success, cost efficiency, and adherence to sustainability standards in our operations.	• Supplier screenings and assessments • Surveys and audits	• Health, Safety, and Wellbeing • Human Rights • Waste Management • Water Management • Anti-Corruption and Bribery Prevention	• Business from local suppliers: 99.5%
Industry Associates			
Industry associations provide strategic insights into real estate trends. Collaborating with sector peers, we contribute to policy formulation, engaging with institutions for informed decision-making and sustainable urban development.	• Joint projects and research funds • Multi-stakeholder forums • Partnerships • Seminars	• Climate Change Adaptation • Climate Change Mitigation • Water Management • Green Building Certifications • Biodiversity Conservation	• Strategic collaboration with renowned partners, including Chalhoub Group, LVMH, Majid Al Futtaim Properties, and Aldar Properties for the 'Unity for Change' taskforce
Government and Regulators			
Ensures adherence to laws, zoning regulations, and environmental standards, crucial for our development projects and community well-being.	• Meetings with officials • Regulatory filings • Industry forums • Conferences • E-mails and letters	• Data Privacy and Security • Climate Change Mitigation • Board Oversight and Accountability • Anti-Corruption and Bribery Prevention • Legal and Regulatory Compliance	• Fee paid to Government Departments: AED ~2.6 Bn
NGO, Advocacy Groups & Communities			
We want our buildings and activities to have a positive impact on the local communities; to achieve this, we need to have good relationships and understand the needs of locals.	• Community development activities • Working committees and consultations • Multi-stakeholder meetings • Seminars for feedback on development projects	• Climate Change Adaptation • Climate Change Mitigation • Water Management • Waste Management • Sustainable Material Use, Design, and Construction • Customer Satisfaction • Board Oversight and Accountability • Anti-Corruption and Bribery Prevention	• CSR expenditure by the Group, including contributions from Emaar Foundation: AED 54 Mn

Materiality in 2023

We undertook an extensive stakeholder engagement and materiality assessment during 2023 to deeply understand evolving stakeholder expectations and concerns. This yielded valuable insights, enabling us to bolster our business strategy and embed sustainability as a core element in our operations. Through active stakeholder involvement and the incorporation of their perspectives, we aligned our actions with their needs. Our refreshed material topics were categorised into three main pillars, which serve as the foundation of our ESG strategy.

Materiality Methodology

Our materiality assessment has been conducted in line with the GRI standards. The objective of this exercise is to determine which environmental, social, and governance (ESG) topics are most material for Emaar to focus on and report. We consulted with internal and external stakeholders to determine the material ESG topics.

We conducted a comprehensive survey involving 100 stakeholders. External stakeholder insights from the survey enhance our understanding of Emaar's impact on environmental, social, and economic parameters, while the internal stakeholder perspective carries valuable implications from a business standpoint, ensuring we have a comprehensive view of stakeholder concerns that have and will inform our strategic decisions.

I

Identification of Potential Material Topics

Conducted horizon scanning of 100+ topics selected from GRI and other best practice standards and rating indices, including SASB, DJSI, and regional ESG guidelines, viz., DFM and Abu Dhabi Security Exchange, and regional and international peers; based on this, a consolidated list of the most important topics was prepared for Emaar's review.

II

Collecting and Analysing Stakeholder Responses

A quantitative analysis was conducted with both internal and external stakeholders; for the survey, a likert scale of 1-5 was adopted for all the selected topics to assess the significance of each material topics.

III

Prioritisation

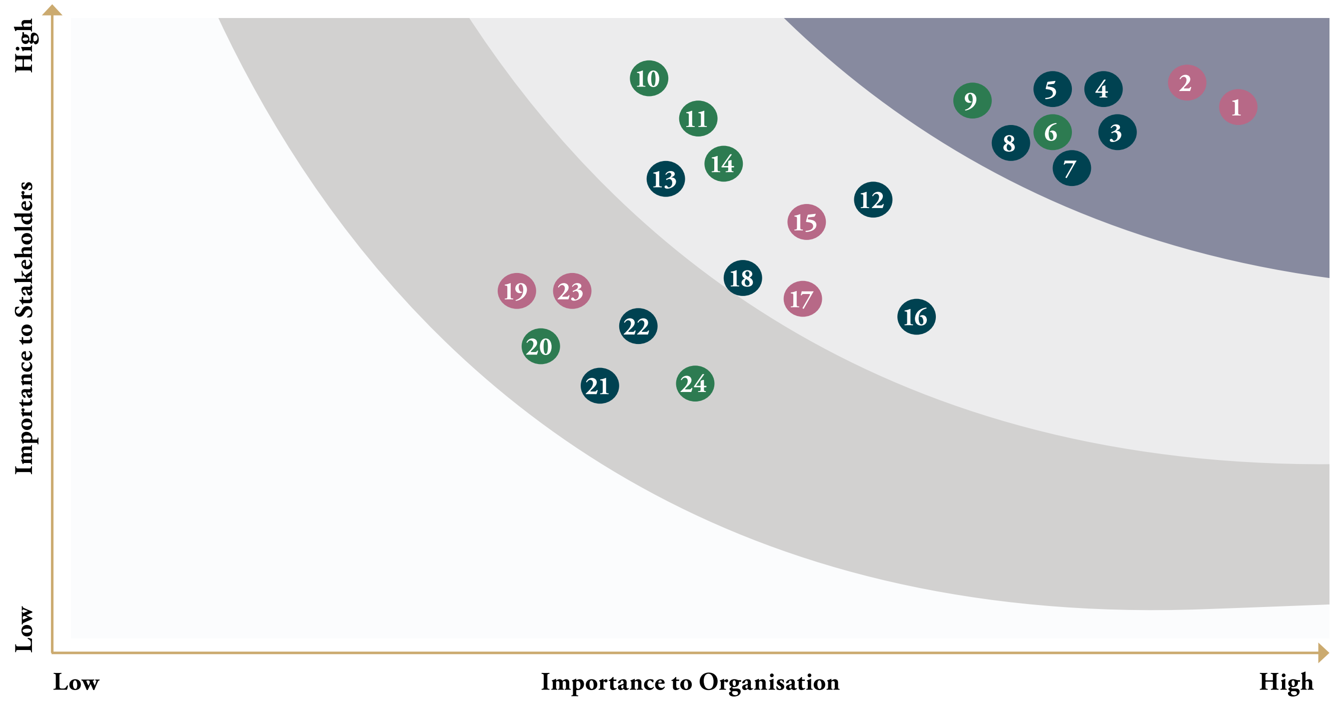
Based on the assessment, the material topics were prioritised based on their averaged scores.

IV

Validation

To ensure accuracy and relevance we validated our material topics with senior management representatives.

Materiality Matrix



Material Topics for 2023

1. Customer Satisfaction
2. Health, Safety, and Wellbeing
3. Legal and Regulatory Compliance
4. Anti-Corruption and Bribery Prevention
5. Data Privacy and Security
6. Climate Change Mitigation
7. Ethics and Transparency
8. Human Rights
9. Water Management
10. Waste Management
11. Climate Change Adaptation
12. Risk Management
13. Board Oversight and Accountability
14. Sustainable Material Use, Design, and Construction
15. Talent Attraction and Retention
16. Economic Performance and Resilience*
17. Training and Development
18. Stakeholder Engagement#
19. Community Impacts
20. Green Building Certifications
21. Innovation and Digital Transformation
22. Responsible Procurement
23. Diversity and Inclusion
24. Biodiversity Conservation

Environment Social Governance

* For discussion on economic performance and resilience, refer to business review section on page 24.
# For more details on our stakeholder engagement processes, refer to page 38.

Adjustments in 2023

We streamlined our material topics list, consolidating topics from 2021 to enable targeted and strategic decision-making in our materiality considerations. This process eliminates redundancy and provides distinct definitions for each topic. Among the 24 material topics identified for 2023, there are four new additions: sustainable material use, design and construction, talent attraction and retention, green building certifications, and innovation and digital transformation.

In the 2023 assessment, we have identified nine topics as our high-priority focus areas, with the rest forming part of responsible business practices. Topics such as human rights and water management have gained greater priority in the recent materiality analysis. Customer satisfaction, health, safety, and wellbeing, data privacy and security, ethics, and transparency continue to remain high-priority areas.

Our Path to Responsible Growth

Our ESG strategy focuses on safeguarding the environment, maximising social value and ensuring strong governance and business ethics.

Our ESG Framework

Following our materiality refresh this year, we developed an ESG strategy framework and categorised the most material topics in accordance with the three ESG pillars: safeguarding the environment, maximising social value, and ensuring strong governance and business ethics. The high-priority material topics serve as key focus areas under each pillar. Through the implementation of our strategy, we will integrate ESG considerations into all aspects of our operations to ensure responsible action across the business.

Aligning with UAE's Ambitions for a Better World

- United Nations Sustainable Development Goals (SDGs)
- UAE Net Zero 2050
- The Dubai Economic Agenda D33
- Dubai 2040 Urban Master Plan
- UAE Green Agenda 2015-2030
- Dubai Green Energy Strategy 2050

Sustainability Purpose

Our purpose is to create and sustain spaces and landmarks with a commitment to sustainability at the forefront, enhancing community wellbeing, safeguarding the environment, and creating long-term value for all our stakeholders.

ESG Pillars

Safeguarding the Environment	Maximising Social Value	Strong Governance and Business Ethics

Material Topics

Safeguarding the Environment	Maximising Social Value	Strong Governance and Business Ethics
Climate Change Mitigation	Health, Safety and Well-being	Board Oversight and Accountability
Climate Change Adaptation	Talent Attraction and Retention	Ethics and Transparency
Water Management	Training and Development	Human Rights
Waste Management	Diversity and Inclusion	Anti-Corruption and Bribery Prevention
Sustainable Material Use, Design, and Construction	Customer Satisfaction	Legal and Regulatory Compliance
Green Building Certifications	Community Impacts	Responsible Procurement
Biodiversity Conservation		Innovation and Digital Transformation
		Data Privacy and Security
		Risk Management

CONTRIBUTION TO THE UN SDGS

Growing in Step with Global Goals

In alignment with the United Nations Sustainable Development Goals (SDGs), we prioritise environmental and social responsibility as core pillars of our ESG strategy.

2 ZERO HUNGER

Zero Hunger Initiatives

- Emaar Egypt donated 35 tonnes of food cartons to support the people of Gaza in these challenging times.

3 GOOD HEALTH AND WELL-BEING

Wellbeing in Communities

- A total of 264 WELL certifications renewed across communities in 2023.

4 QUALITY EDUCATION

Training and Opportunity Creation

- Delivered an average of 3.8 training hours for the employees of the Group via the online learning platforms in 2023.
- Provided 28,590 training and development courses for employees in 2023.

6 CLEAN WATER AND SANITATION

Sustainable Water Management

- Bio-enzymes application in 31 lakes reduced sludge thickness by 60-80% in Emirates Living, Arabian Ranches, and The Greens & Views.
- Processed 6,000 m^3 of sewage water daily through an STP for irrigation in Emaar Communities.

7 AFFORDABLE AND CLEAN ENERGY

Solar PV Capacity

- Increased y-o-y solar PV capacity by 21% to 11.74 MWp which produced 17.90 GWh energy and avoided 7,246.41 $MTCO_2eq$.

EV Charging Infrastructure

- A cumulative total of 113+ EV chargers installed across communities malls and retail centres.

8 DECENT WORK AND ECONOMIC GROWTH

Employee Engagement

- All employees across the Group receive regular performance and career development reviews.

Protecting Our Workers

- We recorded 117 million safety man-hours without a single fatality and conducted 3,277 safety audits.

All figures mentioned are for UAE, unless specified

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Sustainable District Cooling

- Through an installed capacity of 104,600 tonnes, we achieved CO_2 savings of 108,031 $MTCO_2$ in 2023.

11 SUSTAINABLE CITIES AND COMMUNITIES

Green Building Certifications in 2023

- LEED Platinum O+M certification targeted for Burj Khalifa.
- LEED Gold certification for twin tower mid-rise residence in Dubai Hills (concept stage).
- Al Sa'fat Platinum for residential mid-rise building in Dubai Hills (concept stage).
- Obtained two Green Key certificates for Address Sky View and Address Beach Resort Dubai.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Waste Reduction Initiatives

- Achieved a 21% reduction in total waste generated, including general and organic waste, compared to 2022.
- Successfully implemented a water bottling plant pilot at Address Downtown, Dubai, producing 700 glass bottles and preventing the use of 240 plastic bottles in the first year alone. This initiative will be expanded to other properties.

13 CLIMATE ACTION

Energy Management Programme

- Targeting 15-20% carbon emissions and utility cost reduction through innovative Energy Service programmes, leveraging ESCO partnership and concept of 'Shared Savings'.

Alternative Grading Methodology at The Oasis

- Use of alternate grading methodology for construction.
- Reduced 1,184.95 $MTCO_2eq$ during the construction of The Oasis.

17 PARTNERSHIPS FOR THE GOALS

Unity For Change Taskforce

- Emaar Malls, along with partners, has formed a joint taskforce, called Unity For Change, to minimise the carbon and biodiversity footprint in the retail sector.

Mangrove Conservation

- In partnership with Goumbook, Emaar Hospitality planted 364 Grey Mangrove trees at Al Zorah Reserve, UAE.

ENVIRONMENT

Safeguarding the Environment

As one of the world's major real estate developers, we play a decisive role in shaping the built environment.

We not only focus on better resource use, waste management, water stewardship, and responsible sourcing but also on embedding a sense of greater environmental responsibility through various initiatives.

11.74 MWp
Renewable energy capacity (UAE)

21%
Y-o-y reduction in waste generated* (UAE)

LEED Platinum O+M
Certification achieved for Burj Khalifa

* The waste categories include general and organic waste.

Material Topics

- Climate Change Mitigation
- Climate Change Adaptation
- Water Management
- Waste Management
- Biodiversity Conservation
- Sustainable Material Use, Design, and Construction
- Green Building Certifications

6

Climate Change Mitigation

As a leading global real estate developer, understanding our environmental impacts is crucial to mitigating climate risks and ensuring long-term sustainability.

To ensure business continuity, we remain committed to enhancing the resilience of our properties and processes, upholding the highest environmental sustainability standards in all our operations.

Our Approach

Ongoing initiatives within our projects and established communities are geared towards reducing emissions, optimising energy consumption, adopting clean energy solutions, optimising processes, and efficiently managing resources, as part of our broader commitment to climate change mitigation.

We have implemented various quality management systems to be more disciplined in our operations and be more effective in our transition towards sustainability. With the re-certification of the ISO 14001 Environmental Management System for operations related to Emaar Facility Management (EFM) in 2023, we seek to uphold the rigorous standards that we apply to our operations.

Certifications for EFM Operations in UAE

ISO 14001
Environment Management System

ISO 55001
Asset Management System

ISO 50001
Energy Management System

ISO 9001
Quality Management System

ISO 41001
Facility Management System

A Triumphant Debut at WETEX & DSS 25th Edition

The Water, Energy, Technology, and Environment Exhibition (WETEX) and Dubai Solar Show (DSS) celebrated their 25th session with unprecedented success, drawing 2,600 companies from 62 nations and 76 sponsors. The exhibition, held in November 2023, included 24 international pavilions from 16 countries. Emaar, as a jubilee sponsor, marked its inaugural presence, showcasing avant-garde sustainable solutions that are redefining urban living globally.

Emaar's Sustainability Hub

We marked our participation at WETEX 2023 with the launch of the Emaar Sustainability Hub. In collaboration with industry leaders such as Ginco and China Railway, the Hub hosted impactful discussions, aligning with Emaar's commitment to sustainability. From green buildings to energy-efficient designs, the discussions emphasised the importance of sustainability in urban development, reducing the sector's carbon footprint, and enhancing residents' wellbeing.

Our Partners

GINCO | iBUILD | 中国铁建 | innovo | alesca life

Energy and Emission Management

Our energy and emission management strategy aims to reduce emissions, and optimise asset efficiency while keeping a resolute focus on improving operational efficiency and the use of renewable energy. To ensure that the lighting systems in Emaar projects are designed and installed efficiently, all projects in Dubai adhere to lighting power density (LPD) standards outlined in ASHRAE 90.1 and the Dubai Building Code requirements.

Through our Energy Management Programme, we have implemented a number of initiatives to enhance energy efficiency and reduce our GHG emissions. Currently, we monitor Scope 2 emissions which are attributed to purchased electricity and district cooling. We are planning on establishing greenhouse gas monitoring practices across our operations.

In 2023, energy consumption reached 896.92 GWh, showing a 2.5% increase from the previous year's consumption of 874.75 GWh* and GHG emissions (Scope 2) increased to 468,875.66 $MTCO_2eq$, marking a 2.2% rise from the previous year's total of 458,750.80 $MTCO_2eq$. This increase in emissions is attributed to expanding asset scope, rising occupancy levels in existing buildings, annual project handovers, and increasing footfall in malls and residential retail centres.

896.92 GWh

Total energy consumption in 2023 (UAE)

17.91 GWh

Total energy replacement through renewable sources in 2023 (UAE)

468,875.66 $MTCO_2eq$

Total Scope 2 emissions in 2023 (UAE FM operations)

Energy Efficiency Initiatives

- **Deployment of motion sensors**
  - Implementation in shared spaces such as common corridors, lift lobbies, and back-of-house areas across master communities in Downtown, Dubai Hills Estate, Dubai Creek Harbour, Emirates Living, and Arabian Ranches
- **Astronomical timers for efficient outdoor and street lighting**
  - Successful installation in Arabian Ranches, Emirates Living, and DHE Horizontal communities
- **HVAC efficiency**
  - Replacement of conventional valves with Pressure Independent Control Valves (PICVs) in common area Fan Coil Units (FCUs) in selected buildings
  - Observed 10-20% post-retrofit decrease in chilled water flow rate
- **Focus on retrofitting and optimising chilled water pump in Downtown**
  - Estimated average savings of 40%
  - RoI in less than two years
- **Energy recovery systems for Fresh Air Handling Unit (FAHU)**
  - Reduces cooling load requirement and carbon footprint
  - Implemented in all Emaar residential and commercial buildings
- **VFD-equipped car park ventilation fans**
  - Real-time adjustments based on CO levels reduce energy consumption significantly across communities
- **Demand control ventilation installation in communities**
  - Optimises air conditioning based on building occupancy
  - Monitored sensors provide feedback on CO_2 levels
- **Proactive energy management in Malls and community retail**
  - Utilised double heat wheels to recover energy from conditioned exhaust air, thereby reducing the demand for treating incoming fresh air. This achieved a minimum of 70% sensible load recovery efficiency
  - 24/7 control for MEP equipment
  - Need-driven approach minimises run hours
  - Notable energy cost reductions of 10-40%

Operational Excellence Strategy of Emaar Facility Management (FM)

- Design for maintainability and circularity – updated FM design guidelines/checklist
- Standardised Scope 2 emissions monthly reporting
- Developed guidelines to integrate circular economy principles into FM
- Sustainability management plan for FM
- Developed a waste management plan for all assets to maximise waste diversion from landfill

* This number has been restated. Please refer to the GRI content index for more information.

Energy Management Programme

Although our footprint is expanding for our existing buildings across Emaar Properties' business units, we have developed a customised energy management strategy and programme encompassing retrofit and control initiatives to reduce energy consumption and enhance energy efficiency. The implementation of this programme will commence in 2024.

Under this programme, multiple tender packages have been developed for energy management projects across Emaar's business units, based on the overall age and highest potential for energy savings of buildings. Top-tier Energy Service Companies (ESCOs) have been invited to be strategic partners in these projects.

The overall aim is to achieve a substantial reduction in energy consumption by 15-20% (~21,000-22,000 $MTCO_2eq$) in the next 5 years through energy retrofits and energy efficiency optimisation across Emaar's operational portfolio.

Phased Approach towards Energy Management

Phase 1: Malls

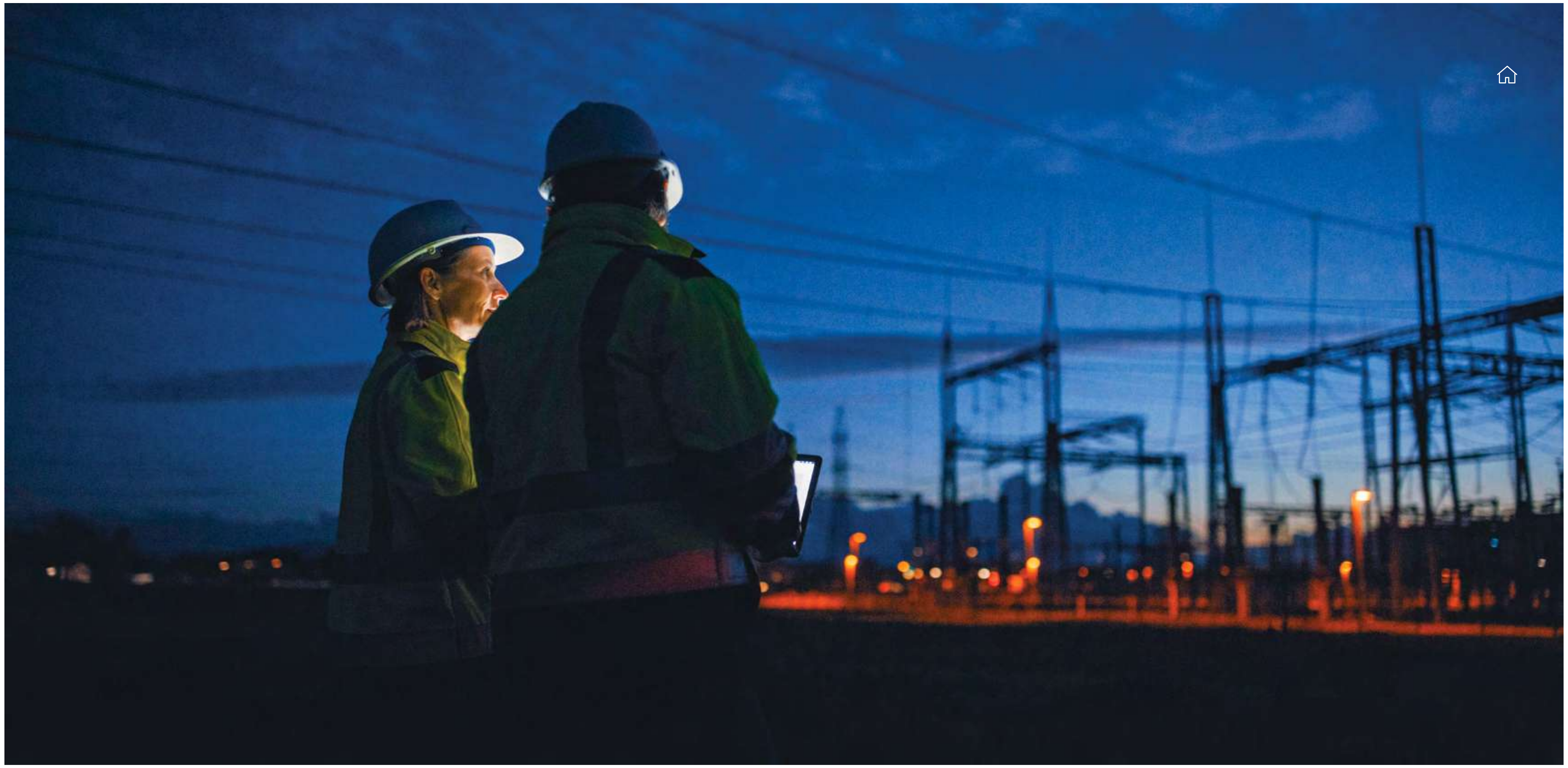
Saving: 3,000 Tonnes CO_2eq per annum

Phase 2: Emaar Communities

Saving: 14,000 Tonnes CO_2eq per annum

Phase 3: Emaar Hospitality

Saving: 3,000 Tonnes CO_2eq per annum



Expanding our Solar Capacity in UAE

To improve the use of clean energy, we have increased the total installed solar capacity by 21% y-o-y with installations in Meadows Souk and Meadow Village in 2023. We are also conducting feasibility studies to expand the use of solar energy in our energy mix.

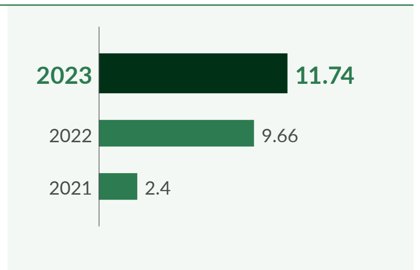
Two new assets are expected to be operational in 2024: The Valley Retail Centre and the Arabian Ranches III Community Centre, with a combined potential solar capacity of 1,263 KWp. These will abate over 1,400 $MTCO_2eq$ of GHG emissions.

7,246.41 $MTCO_2eq$

Total GHG emissions abated through the use of renewable energy

Renewable energy capacity (UAE)

(MWp)*



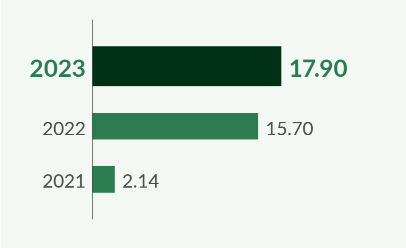
Renewable Energy Capacity across Assets

Asset	Installed capacity	GHG emissions abated
Dubai Hills Mall	6,531 KWp	4,247.36 $MTCO_2eq$
Meadows Souk	1,045.54 KWp	661.34 $MTCO_2eq$
Meadows Village	735 KWp	337.66 $MTCO_2eq$
Dubai Hills Golf Club	45 KWp	10 $MTCO_2eq$
Arabian Ranches 1 Retail Centre	871.15 KWp	507.42 $MTCO_2eq$
Gold & Diamond Park	1,418 KWp	893.81 $MTCO_2eq$
Springs Souk	1,138 KWp	588.83 $MTCO_2eq$

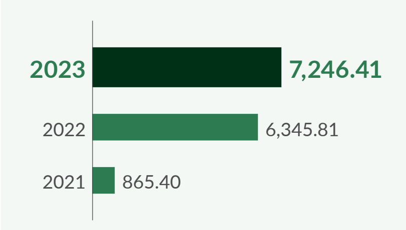
* This number has been restated. Please refer to the GRI content index for more information.

ENVIRONMENT

Total energy replacement through renewable sources (UAE)
(GWh)*



GHG emissions abated through renewable sources (UAE)
($MTCO_2eq$)*



Powering Sustainable Mobility Solutions

As part of our effort to redefine eco-conscious living, we have installed 80+ electric vehicle (EV) chargers across residential communities and 33 EV chargers across Dubai Mall, Dubai Hills Mall, Dubai Marina Mall and community centres in partnership with Tesla and BMW. Furthermore, our upcoming projects will also incorporate EV charging facilities.

These efforts exemplify our commitment to advancing sustainable transportation solutions and promoting eco-friendly practices within the community.

113+

EV chargers installed across communities, malls and retail centres

Smart Asset Management

Emaar's Smart Asset Management (ESAM), as an Internet of Things (IoT) platform, has been meticulously designed to oversee and govern the building management system (BMS) across all ECM-managed communities. This sophisticated system performs fault detection and diagnostics, generates alarms, trend analysis graphs, and seamlessly integrates with the work order management platform. ESAM consists of comprehensive dashboards for alarms, energy data, chilled water consumption analysis, utility consumption, and more. Notably, advanced machine learning algorithms have been incorporated to facilitate predictive maintenance, report generation, and the generation of artificial intelligence (AI) outputs.

* This number has been restated. Please refer to the GRI content index for more information.

Reducing GHG Emissions: Alternative Grading Methodology

While developing The Oasis, Emaar's infrastructure team identified an opportunity for GHG reduction during the grading design for Al Rassi Lake by adopting two approaches:

1. Reducing cut-fill quantities for land levelling by optimising overall site grading
2. Adopting a direct material shifting approach

Approach 1

Initial grading quantities
Cut: 19,991, 671 m^3
Fill: 20,010,854 m^3

Optimised grading quantities:
Cut: 18,414, 269 m^3
Fill: 18,541,421 m^3

Result

Reduced GHG emissions by 515.58 $MTCO_2eq$ through minisiming the overall quantity to be loaded, transported, and graded.

+

Approach 2

- Conventional method involved shifting material from location A and stockpiling it in interim location B before filling final site C
  A to B to C : Releases 2,430.89 $MTCO_2eq$ GHG emissions
- Grading phases 1 and 2 of The Oasis simultaneously to directly use excess cut material from phase 1 in location A and fill it in final location C in phase 2
  A to C : Releases 1,245.94 kg CO_2eq GHG emissions

Result

Reduced GHG emissions by 1,184.95 $MTCO_2eq$ through minimising double handling of soil and distance traversed, accounting for 48.7% emissions reduction compared to conventional method. This also led to reduced fuel consumption by 356,055 litres

Equivalent to

- 1,700.53 $MTCO_2eq$ emissions reduced
- 2,323 trees planted
- 365 vehicles off-road for 1 year
- 331 homes electricity usage for 1 year

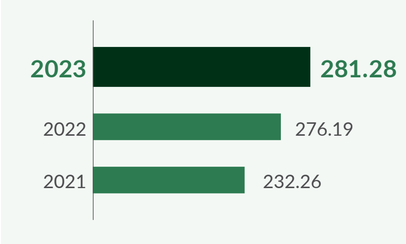
These methods significantly reduced our emissions, optimised resource consumption and minimised costs. Similar approach reduced ~12 $MTCO_2eq$ of GHG emissions during the construction of The Valley.

ENVIRONMENT

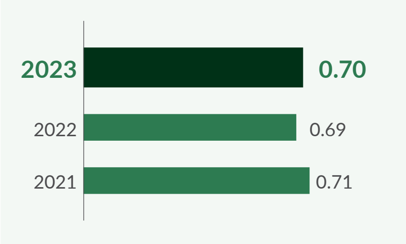
District Cooling

District cooling, owing to its centralised nature, offers a more efficient solution for meeting the rising demand for air conditioning. Emaar District Cooling (EDC) plants at Nshama (Townsquare), Dubai Hills State, Dubai Creek Harbour, and Emaar Beachfront optimise energy use and champion an eco-friendly, cost-effective cooling solution.

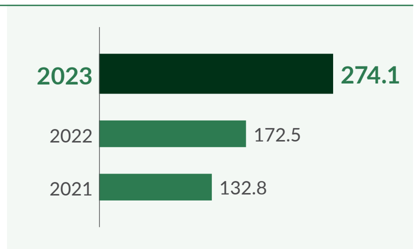
Electricity consumption for delivering cooling (UAE)
(GWh)



District cooling energy efficiency (UAE)
(KWh/TRH)



Delivered cooling production (UAE)
(Mn tonnes-hours)



104,600 Tonnes

Installed capacity (UAE)

108,031 MT CO_2

Total CO_2 savings in 2023 (UAE)

Emaar District Cooling (EDC) Initiatives

Plant optimisation

We work with Energy Transfer Stations (ETS) for improved plant operations that include monitoring, reporting, and coordinating with the Emaar Community Management (ECM) team to optimise ETS room operations and control the energy consumption of chiller plants

Customer support

We address cooling issues in customers' buildings, ensuring compliance with agreements and positively influencing customers' cooling habits, which benefit EDC's bottom line; this approach is recognised by the District Cooling Regulator in Dubai

Collaboration with Emaar MEP Team

We work closely with our MEP team, which helps optimise cooling consumption and achieve the best cooling density in projects

RO plant modifications in Nshama DCP

The modification of the RO plant at Nshama DCP will help increase the use of treated sewage effluent (TSE) instead of water supplied by Dubai Electricity & Water Authority (DEWA)

Strategic DCPs expansion delay

Delay of DCPs expansion based on close coordination between Emaar Development on upcoming projects and incurred projects cooling consumption trends. This is aimed at ensuring the full utilisation of DCPs installed capacities

Expansion plan for Marassi Al Bahrain Plant

In 2025, we plan to expand the Marassi Al Bahrain Plant (MAB) with a Thermal Energy Storage Tank (TES) of 5,000 TR capacity to enhance the efficiency of the air-cooled chiller plant. The MAB district cooling plant will be equipped with a 33% TES capacity to accommodate higher cooling demands, projecting a 5-10% efficiency improvement. Our goal is to enhance efficiency through stationary cooling, aligning with air-cooled chiller technology

Variable speed driven chiller integration at Mina Rashid

We are actively exploring the incorporation of more efficient variable speed driven technology for the centrifugal chiller in the Mina Rashid DCP project, a new development slated for operation by 2025

Reverse Osmosis (RO) Utilisation

Reverse Osmosis (RO) plants play a crucial role in purifying treated water by eliminating salts, organic compounds, heavy metals, and other impurities. This purified water is then reused in cooling tower operations, fostering sustainable and environmentally friendly cooling processes.

This initiative aligns with the Dubai Government's strategy to optimise desalinated water consumption in district cooling operations. Promoting the use of sustainable alternatives like seawater and treated sewage effluent (TSE) helps conserve water resources.

Compared to 2022, RO water usage increased to 168,257,535 IG in 2023 from 71,956,829.41 IG, while DEWA water usage reduced to 184,122,787 IG in 2023 from 186,148,310.01 IG despite the increase in load.

Usage of RO Water (IG)

	2023	2022	2021
Dubai Electricity & Water Authority (DEWA)	**184,122,787**	186,148,310	147,917,377
Reverse Osmosis (RO)	**168,257,535**	71,956,829	50,219,388
Total	**352,380,322**	258,105,139	198,136,766
RO %	**48%**	28%	25%

Earning Recognition for Innovative Cooling Technology

We were conferred the Climate Control Awards 2023 as the 'District Cooling Utility Provider of the Year 2023', on December 2023. Emaar District Cooling won this award for the third time, and the second time in a row in this category, in recognition of its efficiency and initiatives undertaken in district cooling plants.

Climate Change Adaptation

At Emaar, we implement climate change adaptation measures across operations, focusing on resilience and sustainable development. These include energy-efficient building design initiatives, water conservation measures, and green infrastructure development. By prioritising climate resilience, we ensure operational continuity and minimise environmental impacts, contributing to a more sustainable future.

2023 Initiatives

Native Plant Selection and Biodiversity Promotion

- Use of native plants suited to the local climate to reduce water and maintenance needs, promoting biodiversity and supporting local ecosystems
- Avoid invasive species in plant palettes

Water Efficiency Measures

- Implement efficient drip irrigation systems and rainwater harvesting
- Select drought-tolerant plants and employ smart irrigation controllers to optimise water usage

Sustainable Material Sourcing and Design

- Use permeable materials for hardscapes, such as permeable pavers or gravel, to allow water infiltration and reduce stormwater runoff
- Incorporate recycled or upcycled materials in hardscape and furniture design to reduce the environmental impact of resource extraction and manufacturing
- Use of reflective, light-coloured, and high-albedo surfaces for walkways and street furniture. As such, at least 70% of hardscape area could have a minimum Solar Reflectance Index (SRI) of 29
- Explore opportunities for reusing or salvaging materials from demolition or construction activities to reduce waste
- We are designing photovoltaic panels on the roofs of villas to enhance insulation and reduce the urban heat island effect

Long-term Maintenance and Community Engagement

- Develop sustainable maintenance plans incorporating eco-friendly practices
- Involve the local community in landscape planning and maintenance, fostering ownership and responsibility

Modular Design and Accessibility

- Embrace modular design principles that allow for flexibility and adaptability, reducing the need for extensive renovations in the future

ENVIRONMENT

9

Water Management

Efficient water management is a priority for Emaar. In 2023, our properties used over 900 million imperial gallons of water. We monitor our water consumption and associated costs. Measures to reduce water usage include sub-metering to limit use and detect leaks. Sub-metering enables our tenants to track their water usage, save water and reduce costs.

Our water consumption has increased over the years due to rising occupancy levels in existing buildings, annual project handovers, asset expansion and growing footfall in malls and residential retail centres. In 2023, our water consumption increased by 14% compared to the previous year's consumption of 791.01 million IG for FM operations*.

901.53 Mn IG

Total amount of water consumed in 2023 (UAE FM operations)

* This number has been restated. Please refer to the GRI content index for more information.

Water Efficiency Initiatives

Backwash water utilisation

Repurposing backwash water from swimming pools across 30+ Emaar communities, including Dubai Marina Towers, Marina Promenade, Al Sahab, Al Majera, Emirates Living, Arabian Ranches and more

Harmonised water flow rates

Achieved green building standards by harmonising water flow rates across all common area faucets in Emaar Hotels

Installation of flow-regulating aerators to facilitate efficient water use

Eco-friendly chemicals

Replaced hazardous cleaning chemicals with eco-friendly alternatives across Emaar communities

Bio-enzymes for lakes

Use of bio-enzymes across 31 lakes reduced sludge thickness by 60-80% in lakes in Emirates Living, Arabian Ranches, and The Greens & Views

Substantial decrease in use of chemicals by 75%

Sewage treatment plant

6,000 m^3 of sewage water processed through STPs for irrigation in Emaar Communities daily

Standardisation of restroom water fixtures

Achieved standardised flow rates in hotel restrooms through water-saving aerators and valve recalibration

Wastewater recycling at Dubai Aquarium

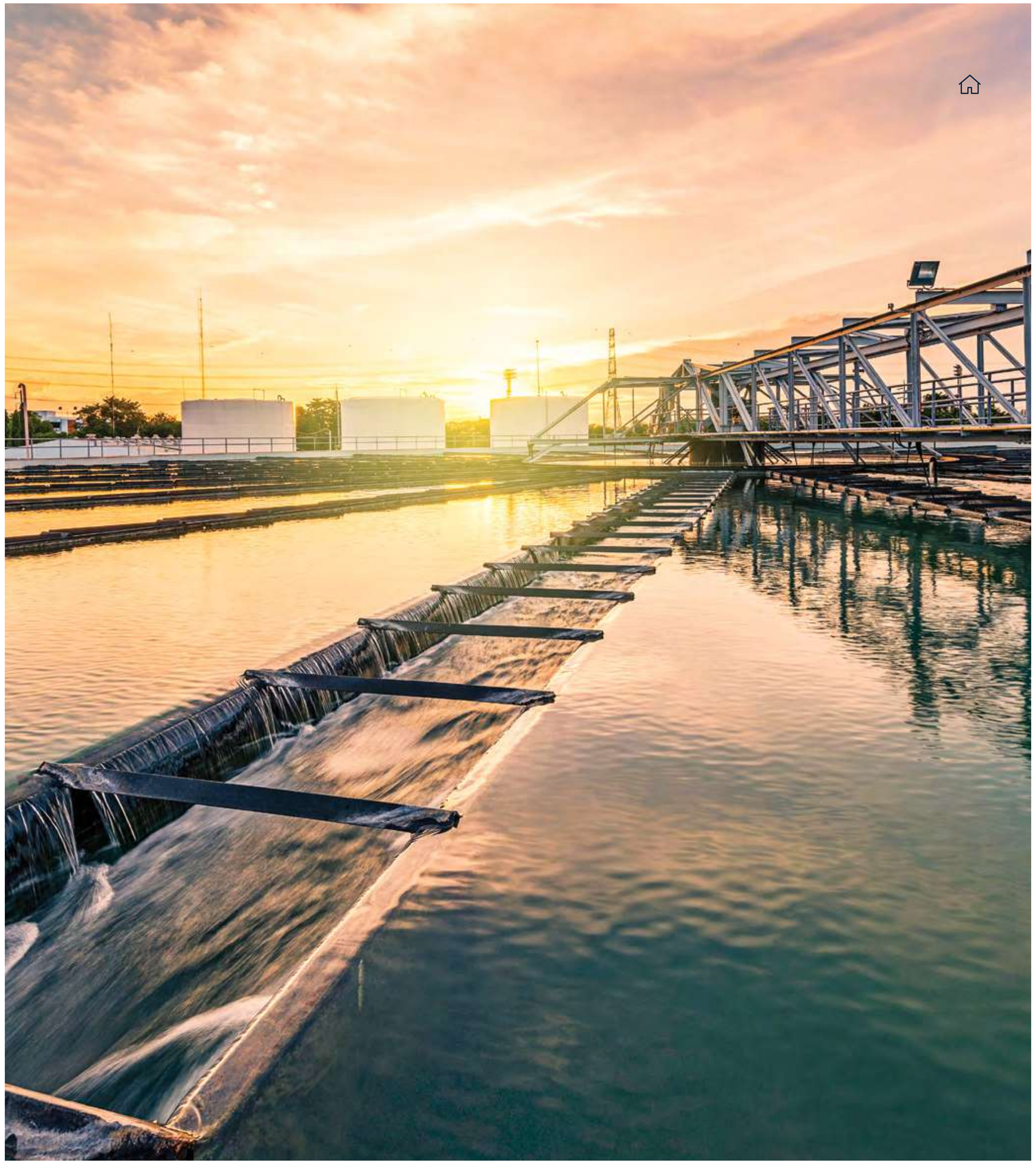
Implemented wastewater recycling at Dubai Aquarium & Underwater Zoo exhibits

Low-volume aerators for showerheads

Installed low-volume aerators for showerheads in swimming pool amenities at communities

Leak detection system

Implemented leak detection systems with remote monitoring for swimming pool pump rooms at Emirates Living



Case Study

Waste Not, Want Not: Water Re-use Solutions at Emaar

We have implemented innovative water reuse initiatives across locations in keeping with our commitment to embrace sustainable practices. We reuse condensate water at Hills Business Park, Acacia, Park Square, Park Heights, Collective 1, Collective 2, Socio, Golf Suites, and Park Ridge.

The condensate drainpipes (DHE-CDP) in these properties are connected to a treated sewage effluent (TSE) tank, where the water is repurposed for use in irrigation within the respective properties. The impact of this measure has been significant. Approximately 15% of the daily irrigation demand is now met by condensate recovery.

ENVIRONMENT

10

Waste Management

Our approach to waste management aims at reducing waste generated across our communities, hospitality, and retail sectors through waste reduction initiatives. Each initiative is customised to target specific waste streams from our diversified portfolio of assets.

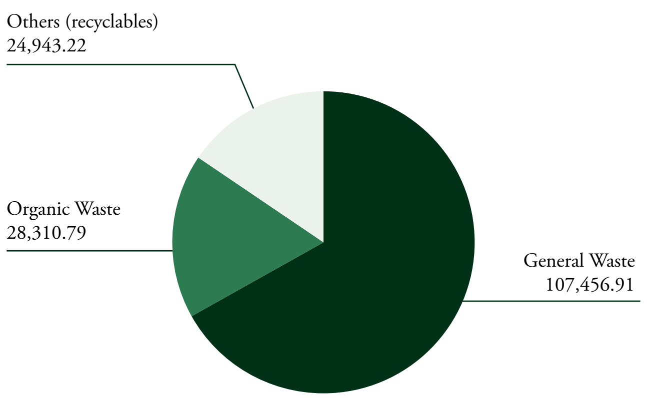
160,710.9 MT
Total amount of waste generated in 2023 (UAE)

21%
Reduction in waste generated (UAE)

33%
Waste segregation rate in 2023 (UAE)

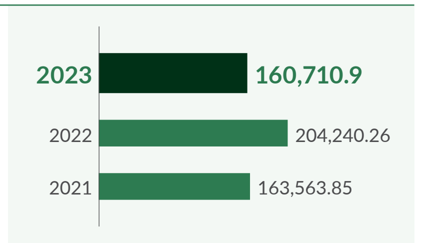
Waste generation by type (UAE)

(MT)



Total waste generated

(MT)



Waste Reduction Initiatives in Hotels

Eliminating plastic waste

Implemented a water bottling plant at Address Downtown Dubai, producing 700 glass bottles daily and eliminating plastic bottle usage. This initiative was rolled out to all Dubai-based hotels in 2023

Large refillable dispensers

Replaced miniature bath amenities with large refillable dispensers

Eco-friendly consumables

Introduced compostable take-away coffee cups and biodegradable cutlery, eliminating single-use plastic

Food waste management

Armani Hotel has a composting machine, whose output is collected and treated to produce agricultural waste and fertilisers

Donating excess food across hotels

Excess food is sent as food donation to the UAE food bank In 2023, a total of 14,954 kg food was donated to UAE food bank

Digital kitchen waste solutions

Implemented food waste solutions in kitchens using the Winnow system

Waste Management Initiatives for Malls

Tenant waste segregation at Dubai Mall

Introduced tenant identity to monitor waste segregation

Provided guidelines on segregation and waste disposal

Implemented monthly monitoring and assessment of waste segregation, including quantification of landfill-diverted and recycled waste

Waste Management Initiatives across Communities

Implementation of recycling programme for Emaar communities

Segregation of waste at the source in all communities into general waste, green waste, and mixed recyclable waste

Provision of two waste collection bin systems in community villas. Waste is being sorted and green waste is collected separately

Collected waste is sent to a material recovery facility for further processing and recovery

Use of biodegradable items in operations

Adoption of eco-friendly and biodegradable chemicals for cleaning purposes

Repair and reuse centres

Establishment of a dedicated workshop for repairing and reusing various types of machinery and equipment to minimise waste through refurbishment

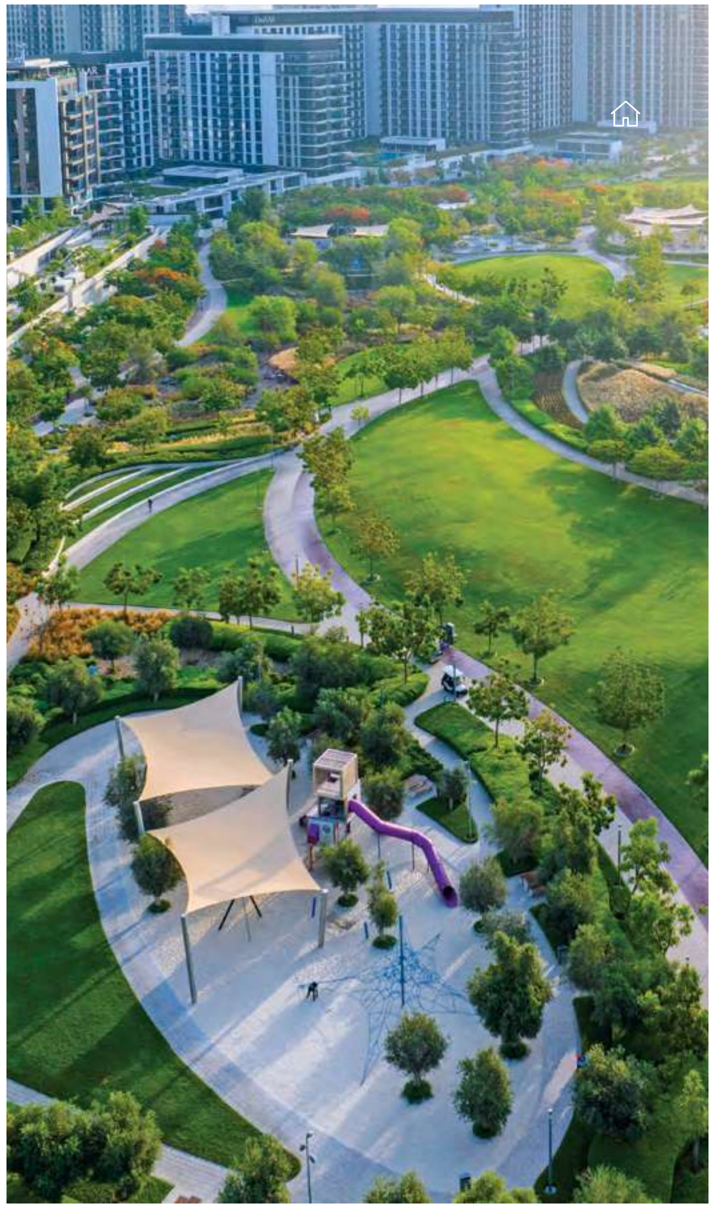
Community clean-up events

Organising annual community clean-up events

Creating awareness and emphasising the importance of waste segregation to residents

Choosing Glass over Plastic

In 2023, Emaar's Address Downtown, Dubai, successfully implemented a water bottling plant, covering 305 rooms and suites and hotel pools (residences), in order to tackle the issue of plastic waste. This initiative led to the production of 700 glass bottles, which prevented the use of 700 plastic bottles daily in the first year alone. As of December 2023, Emaar Hospitality Group has fully rolled out the water bottling plant initiative in all of our Dubai-based hotels, fully eliminating the usage of plastic bottles in all our guest rooms and reinforcing our commitment to reducing plastic waste and fostering eco-friendly practices.



Winnow for More Effective Food Waste Management

In 2023, Emaar Hotels completed the installation of Winnow in five of its properties. Winnow is an AI-enabled food waste solution. The locations across which Winnow is installed are: Address Downtown, Address Sky View, Address Dubai Mall (formerly Address Fountain Views), Palace Downtown, and Armani Hotel Dubai. The system, Winnow, revolutionises waste tracking in kitchens, by automatically capturing data through AI and sensors. The machine learns to recognise wasted items through images, streamlining data accuracy over time. While baseline computation and training are complete, the true impact will be measured in 2024. We will be making use of the insights from Winnow to target reduced food waste by understanding the areas of excess food production and subsequently controlling our cost. This will ensure enhanced operational efficiency across Emaar's culinary ventures.

14

Sustainable Design, Construction, and Material Use

We are working to integrate more sustainable construction practices across our projects. Through our incorporation of sustainable practices in planning, designing, and construction, we are setting new benchmarks in responsible urban development. Emaar's mechanical, electrical, and plumbing (EMEP) team plays a pivotal role in overseeing and implementing sustainable practices across projects.

Key Considerations by EMEP Team

- Energy-efficient building envelopes
- Energy-efficient HVAC equipment and systems
- Control systems for HVAC systems
- Reduced lighting power densities and control strategies
- Energy replacement through renewable energy
- Effective water management

Further, we ensure sustainable construction practices by appointing environmental consultants. They study site conditions, develop construction environmental management plans, and ensure compliance with environmental control plans. Regular reviews, site visits, and quarterly summaries contribute to our commitment to environmentally responsible practices across all our projects.

Meeting In-house Power Demand

At Majestic Vistas in Dubai, sustainability takes centre stage, with a hybrid power system meeting onsite energy needs. Solar panels installed on office roofs contribute a substantial 10% to the energy mix.

Sustainable Design

Our Building Design Standards and Guidelines act as the foundation for incorporating sustainable features into new developments and renovations.

Our planning strategies, soft and hard landscape specifications, soil and water management, and lighting standards adhere to our strict design guidelines. From plant selection to street furniture, these guidelines ensure the creation of sustainable, aesthetically pleasing spaces that uphold both functionality and environmental responsibility.

20

Green Building Certifications

In order to enhance the sustainability standards followed for our buildings and communities, we are targeting green building certifications. Ongoing projects include pursuing LEED ND or BREEAM certification for The Oasis and The Valley west semi-detached community 01, as well as achieving LEED or Al Sa'fat Platinum for a residential apartment block in Dubai Hills Estate.

In our upcoming projects, we are exploring the implementation of Al Sa'fat Platinum on a pilot basis. Further, we remain committed to targeting green building certifications, including local standards such as Al Sa'fat and Estidama, as well as global benchmarks like LEED and BREEAM across our portfolio.

Green Building Certifications Achieved in 2023

Certification	Status
LEED Platinum O+M for Burj Khalifa	Achieved
Al Sa'fat Platinum for residential mid-rise building in Dubai Hills	Concept stage
GRIHA pre-certification for 14 Acre Group Housing, India	Achieved
264 WELL Certifications	Renewed

Through ongoing efforts in 2023, the Burj Khalifa secured the prestigious Leadership in Energy and Environmental Design (LEED) Platinum certification, highlighting our commitment to sustainable practices. This milestone emphasises our aim to reduce our environmental footprint, enhance energy efficiency, reduce lifecycle costs, comply with relevant standards, and maintain superior indoor air quality for the comfort and wellbeing of occupants. Burj Khalifa's avant-garde design, energy-efficient systems and robust operations and maintenance processes have collectively contributed to this achievement.

Sustainability Certifications Achieved in 2023

Certificate	Issuing Organisation	EHG Hotels Certified
Green Key	Emirates Green Building Council	Address Sky View Address Beach Resort Dubai
Dubai Sustainability Stamp (DSTS)	Dubai's Department of Economy and Tourism (DET)	Armani Hotel Dubai
DCA Sustainability Certification	Dream & Charme	Armani Hotel Milano

ENVIRONMENT

24

Biodiversity Conservation

Biodiversity conservation is crucial as it sustains ecosystems vital for community well-being. By preserving biodiversity, we safeguard essential services, minimising environmental impacts and enhancing our properties' attractiveness and resilience.

We remain mindful of potential impacts on ecosystems during infrastructure development and maintenance. Our commitment includes compliance with environmental regulations and practicing stewardship in siting, construction, and operation. We strive to incorporate components of nature into our buildings to promote healthy lifestyles.

Further, we actively seek to enhance biodiversity through various initiatives. These include habitat restoration projects and native species planting programmes. We also foster employee participation in biodiversity conservation through employee engagement initiatives and awareness campaigns.

Biodiversity Preservation through Landscape Planning

At Emaar, we go beyond conventional landscaping to create unique open spaces and parks that seamlessly blend in innovative technology with aesthetic design, and construction and maintenance best practices. Our Building Design Standards underscore building and maintaining viable community landscapes while conserving the environment. Employing a Landscape Design Intensity (LDI) strategy, our zoning hierarchy categorises spaces into four intensity levels, optimising costs and allowing distinctions within developments. We use plant species that are well-suited for the UAE, which includes both salinity-tolerant varieties and indigenous species cultivated at local nurseries.

Emaar Hospitality's Mangrove Conservation Drive

We strive to restore natural habitats, aiding in the development of ecosystems for local flora and fauna, and contributing to overall biodiversity promotion. Collaborating with Goumbook, Emaar Hospitality planted 364 Grey mangrove trees at Al Zorah Reserve, Ajman, as part of a COP28 initiative. Aligned with the UAE Ministry of Climate Change and Environment's National Carbon Sequestration Project, which aims to plant 100 million mangroves by 2030, this effort aims to sequester approximately 112,112 kg of CO_2 over 25 years. This initiative contributes to UNSDGs 13, 14 and 15, enhancing climate action.

Winning Laurels for Unique Landscaping

Dubai Hills Estate Park (DHEP) won the Landscape Middle East Sustainability Award 2023 in the category of 'Parks & Recreation'. DHEP combines a vibrant community space with innovative stormwater management and sustainable design, showcasing the convergence of aesthetics, functionality, and sustainability in a rapidly growing urban environment. Be it in its unique stormwater management, material selection, or the selection of local plant species and smart irrigation systems, the project has embedded sustainability principles at every level. Only locally sourced materials were used and plants were carefully selected to preserve the area's biodiversity. DHEP has an integrated storm retention pond that can store up to 90,000 m^3 of stormwater runoff.

SOCIAL

Maximising Social Value

As a responsible business, we are committed to supporting and providing value for our stakeholders, including our employees, customers and communities and suppliers.

4.5/5 ↑
Employee engagement score (UAE)

Zero
Fatalities across the Group

92.6%
Customer satisfaction score (UAE)

Material Topics

- Health, Safety, and Wellbeing
- Talent Attraction and Retention
- Training and Development
- Diversity and Inclusion
- Customer Satisfaction
- Community Impacts

↑ y-o-y growth

Our People

Prioritising the wellbeing and growth of our team is a strategic goal for us. In our dedicated efforts, we foster a safe, conducive, and inclusive work environment, recognising the invaluable contributions of our diverse workforce. This commitment ensures the cultivation of a skilled and empowered workforce, integral to sustaining our market leadership.

Objectives of our 2023 People Strategy

- Managing attrition
- Improving retention and attracting talent
- Improving employee satisfaction
- Enhancing efficiency and organisational effectiveness
- Creating a sense of purpose and belonging as 'One Emaar'

8,296
Total employees across the Group*

With 444 employees in Egypt, 108 employees in Pakistan, 438 employees in India, 241 employees in Turkey and 7,065 employees in the UAE, total employee count for 2023 was 8,296 across the Group.

Extending Care to Workers

We engage workers in our projects and community management operations through our main contractors and subcontractors. While they are not our direct employees, we uphold our responsibility to oversee their wellbeing. This involves ensuring our policies are communicated to contractors and that labour rights are respected throughout our operations.

* Includes permanent employees, temporary workers and interns.

SOCIAL

2

Health, Safety, and Wellbeing

Our goal is to establish a workplace free from injuries, prioritising the safety and well-being of our people, fostering motivation for optimal performance. Implementing a rigorous Health, Safety, Security, and Environment (HSSE) Standard, we streamline operations to safeguard our workforce. Our HSE management strategy entails regulatory compliance, risk assessments, incident investigations, and emergency and crisis management. We have seven specialised committees across all business units to maintain the highest standards of safety and compliance.

- Risk assessment/management
- Legal and standard compliance
- HSE training and competency development
- Inspection and field visit observations
- Emergency and crisis management
- Contractor management
- Incident management and investigation

Adherence to National and International Standards

- Dubai Municipality Technical guidelines
- Dubai Municipality Construction Code of Practice
- UAE Fire and Life Safety Code of Practice 2020
- ISO 9001:2015 ISO 14001:2015 ISO 45001:2019

Emergency and Crisis Management

Crisis Management Plans are prepared for all our assets to ensure that all teams are equipped to handle real emergencies effectively. Simulations of reasonably foreseeable emergency situations are conducted to familiarise all involved parties with the procedures and to address any potential lapses.

Worker Health and Safety

The HSE function oversees the management of the health and safety systems. Quarterly management review meetings with our senior leadership are held to assess performance, focusing on major H&S risks and mitigation plans.

For contractors, prior to contract execution, we engage with contractors and consultants, securing their acknowledgment of Emaar's HSSE standards. We provide a comprehensive HSSE document, encompassing protocols, site management, implementation details, and performance monitoring requirements. Project safety is paramount at Emaar, with daily inspections by contractors and consultants, supplemented by bimonthly HSE audits, monthly welfare and health campaigns, and equipment audits. In case of incidents, prompt reporting is done within 10 minutes followed by thorough documentation, assessments, investigations, and transparent disclosure, and communication of lessons learned.

Workers' Welfare

We ensure worker welfare and uphold their rights from recruitment to employment, in accordance with labour laws in jurisdictions where Emaar operates. The UAE accounts for more than 86% of the construction activity.

Regular safety and awareness programmes are conducted across construction sites to educate our workers. We ensure high hygiene standards are maintained through the regular upkeep of our facilities. Our workers in the UAE are provided with accommodation, food and transportation.

We conduct various initiatives to ensure the safety of our workers. Monthly initiatives, managed by contractors under consultant supervision, cover health campaigns, on-the-spot training, heat stress management, and safety awards. This has reduced incidents and improved worker welfare.

Voluntary health promotion services and monthly audits also play a significant role in addressing non-work-related health risks and risk prevention. In the UAE, monthly health, wellbeing and hygiene audits cover the safety aspects.

634

Voluntary health campaigns organised (UAE)

Emaar Entertainment achieved

ISO 45001* and ISO 22301^

certifications in 2023

H&S Training for Workers

Occupational H&S training in construction equips our workers with essential skills and heightened awareness. The training builds a steady foundation of safety by addressing diverse topics such as working at heights, dealing with electrical hazards, fire controls, excavation safety, confined space entry and work permits. It also encompasses PPE, defensive driving, machinery operations, concrete works, cradle and spider kit safety, scaffolding, welding, hot work, and rigging amongst others.

In 2023, 37,331 hours of job-specific health and safety training were provided to workers in the UAE, Egypt, Pakistan, and India. In particular, we conducted 11,274 hours of training for the workers in the UAE.

37,331 hours

H&S-related job-specific training provided to workers across UAE, Egypt, Pakistan and India

* Occupational health and safety management system
^ Security and resilience

3,277

Safety Audits Conducted (UAE)

Health and Safety Performance in 2023

In 2023, total manhours decreased in the UAE compared to 2022, resulting in the Lost Time Injury Frequency Rate (LTIFR) rising from 0.014 to 0.025. However, the year recorded only three lost time incidents and a Total Recordable Incident Frequency Rate (TRIFR) of 0.006.

To avoid the reoccurrence of incidents and as part of our commitment to prioritising health and safety, we have implemented rigorous safety protocols with adequate review of processes and comprehensive training programmes to mitigate the risk in the workplace.

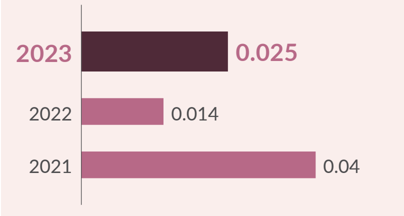
Further, the year reported no fatalities across the Group.

Zero

Fatalities across the Group

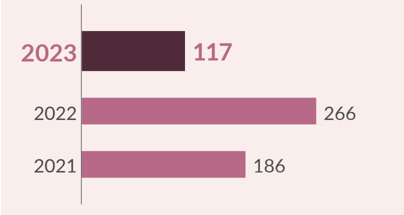
Lost time injury frequency rate (UAE)

(Ratio)



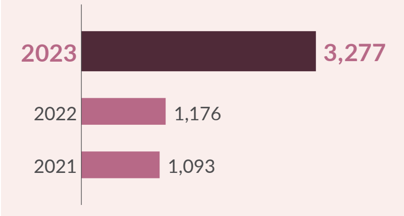
Total safety manhours (UAE)

(Mn Hours)



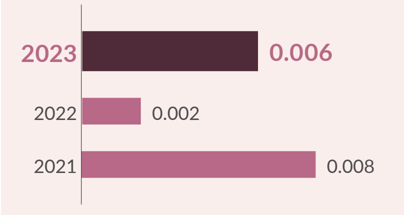
Safety audits conducted (UAE)

(Number)



Total Recordable Incident Frequency Rate (UAE)

(Ratio)



15

Talent Attraction and Retention

Securing and engaging a skilled workforce is our approach to fostering a responsible work culture. Our Group-wide induction programme, talent mapping and top talent initiatives have further facilitated our engagements. Stay interviews are held as part of our retention process.

As part of our Group-wide Induction Programme, we have launched a weekly induction plan for all new joiners. A buddy is assigned to employees in junior and middle management categories for orientation and joining processes, and senior management and above go through personal one-on-one induction with the Head of People & Performance on their day of joining.

In 2023, we welcomed a total of 2,800 new hires in the UAE. During this period, our total workforce increased, while our employee turnover rate decreased slightly to 22% from 23% in 2022. An objective of our 2024 HR Strategy is to manage employee turnover through initiatives like talent retention, employee engagement, training and development, and managing employee grievances.

New employees hired by age group in 2023 (UAE)

	Male	Female
<30 Years	32.2%	17.8%
30-50 Years	37.1%	12.1%
>50 Years	0.7%	0.2%

Employee turnover by age group in 2023 (UAE)

	Male	Female
<30 Years	23.9%	22.9%
30-50 Years	21.2%	23.5%
>50 Years	15.9%	8.5%

New employees hired by category in 2023 (UAE)

	Male	Female
Senior Management	0.4%	0.1%
Middle Management	5.1%	2.4%
Junior Management	61.7%	23.5%
Trainees	1.4%	1.1%
Temporary employees	1.3%	3.1%

Employee turnover by category in 2023 (UAE)

	Male	Female
Senior Management	28.6%	50.0%
Middle Management	12.8%	23.6%
Junior Management	22.4%	22.9%

Employee Engagement

We are dedicated to fostering a sense of belonging among our employees, implementing various initiatives for their holistic involvement and satisfaction. In 2023, we conducted 42 employee engagement programmes including awareness days, health and fitness and community events. These initiatives contributed to our employee's wellbeing and fostered a cohesive sense of community.

Communication about the events was sent to all the employees ensuring 100% coverage leading to higher participation.

Engagement Programmes

Emaar Health Camps
- Dental check
- Body check
- Optical check
- Blood donation
- Breast cancer check-ups
- Vaccination drives

Health Webinars
- Mental health
- Cervical cancer
- Men's health
- Melanoma
- Life coach sessions
- Heart health
- Kidney wellness
- Breast cancer

Fitness Sessions
- Sports tournaments - football, basketball, badminton, bowling, cricket, and volleyball
- Fitness classes
- Dubai Fitness Challenge activations

Awareness Posters
- Earth Hour
- Flag Day
- International Women's Day
- World Tourism Day
- Emirati Women's Day

Community-Related Events
- Community Clean-up Drive
- Iftar Meal for Workers
- Clean-up Campaign
- Donation Drives
- Plant a Tree Campaign

↑ y-o-y growth

Promoting Holistic Wellbeing of our Employees

We conduct events across sports, knowledge sharing and awareness sessions to help our employees navigate mental and physical health, stress management, and work-life balance. These sessions empower our workforce with knowledge and strategies leading to a healthier and more resilient workplace environment.

The sessions conducted in 2023 include:
- Health camps: 2,166 participants
- Life coach counselling: 81 participants
- Blood donation camps: 108 participants
- Wellness sessions: 235 participants
- First aid refresher sessions: 63 participants

2,653
Employee participated in well-being programmes (UAE)

Employee Engagement Score

We conduct an Employee Satisfaction Survey (eNPS) every year and streamline our operations in the identified areas of concern to ensure employee satisfaction.

4.5/5 ↑
Employee engagement score across the Group

Employee Benefits

Emaar offers a benefits package that includes life insurance, health care, accidental insurance, retirement provisions and disability support. Our commitment to employee well-being extends to encouraging work-life balance, supported by our inclusive parental leave policy, creating a harmonious and supportive workplace.

100%
Employees covered under benefit schemes (UAE)

17

Training and Development

We firmly believe in the correlation between employee skill development and driving organisational growth. Our workforce engages in a variety of tailored training programmes both classroom and online learning designed to encourage ongoing professional development. The classroom training data is maintained at department level. This commitment nurtures individual aspirations, enhances overall well-being, and facilitates efficient knowledge exchange. The average of training hours per employee per year in 2023 was 3.8 hours for the Group (3.5 hours for UAE) via the online learning platforms, which included the completion of courses and watching videos only for all our platforms.

Succession Planning

Successors are identified internally for critical positions in the organisation. To ensure they are prepared for the roles, a monitoring and reviewing process is undertaken by the learning and development team and their respective managers, as part of their individual development plans (IDPs).

Talent Development

Talent and Mentorship Programmes

The 'Top Talent' international development programme aims to provide our employees with opportunities to work with business leaders globally. It is a talent mapping exercise that helps us identify our best performers.

We organise mentorship programmes for members of the talent development programme and young UAE nationals, providing them with career-specific perspectives through regular interactions with mentors.

Addressing Employee Concerns

At Emaar, we have mechanisms for investigating reported incidents to ensure that issues are addressed appropriately. Our Standards of Conduct policy and Grievance policy support these mechanisms and we facilitate employee feedback in person via a dedicated HR representative, and through grievance channels including an internal HR platform and email, surveys and internal feedback forums.

While our policy outlines a comprehensive list of grievance categories, it is constantly evaluated and updated considering the dynamic and diverse work culture of Emaar. All investigations at Emaar undergo a robust and thorough review and validation, to ensure compliance with regulatory requirements and to undertake operational improvements when needed.

In 2023, 22 grievances were reported and closed in the UAE.

Learning and Development Platforms

- Partnered with Coursera to offer a one-year online programme for 500 of our managers, senior managers, and leaders. The platform has 97% active users completing 2,091 lessons in 7,230 learning hours in UAE.
- Partnered with LinkedIn Learning to offer two-year online programmes for 2,100 mid-level management. The employees have completed 26,499 LinkedIn courses and watched 470,599 LinkedIn Learning videos at Group level.
- We teamed up with RapL, rapid micro bite-sized learning for our junior level management for 5,000 employees. Of the 97% current active users, 83% released test questions were completed for UAE.

Employee training and development KPIs

Average hours of training per year per employee (UAE)

2023	3.5
2022	0.6
2021	0.5

Number of training courses (Coursera and LinkedIn Learning) in UAE

2023	28,590
2022	23,410
2021	5,921

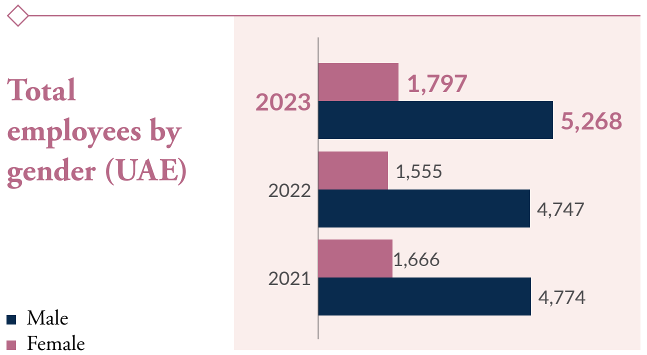
100%
Employees receiving performance and career development reviews annually across the Group

23

Diversity and Inclusion

A diverse workforce is a significant strength of our expanding organisation. We value the unique background, skills, perspectives and talents that our workforce provides. We prioritise inclusivity in our hiring process, welcoming applicants from diverse backgrounds, religions, genders and ethnicities. The requirements of our Standards of Conduct policy safeguard the rights of our employees. We strive to maintain an inclusive workplace and empower our employees to raise their concerns in cases of discrimination or harassment.

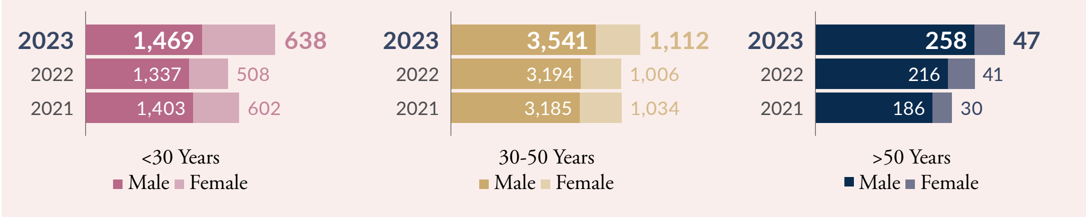
Total employees by gender (UAE)



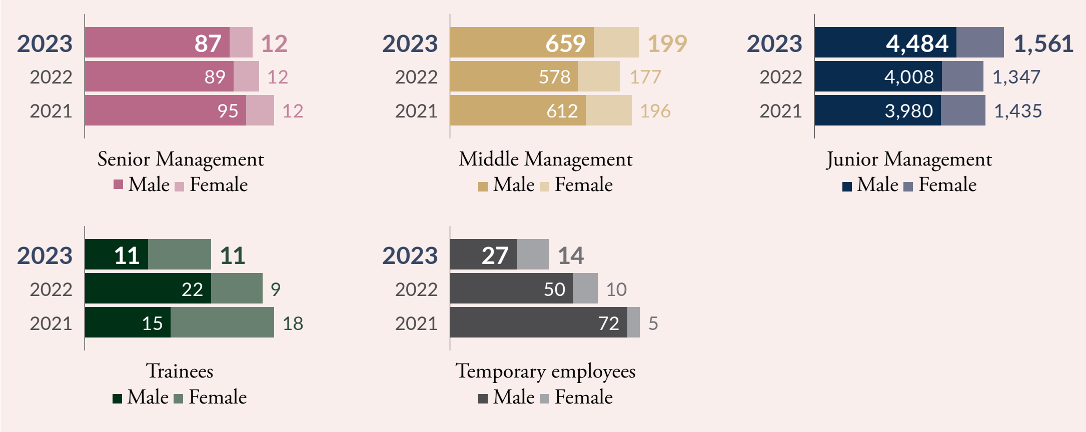
25%

Total female employees (FTE) (UAE)

Total employees by age (UAE)



Total employees by category (UAE)



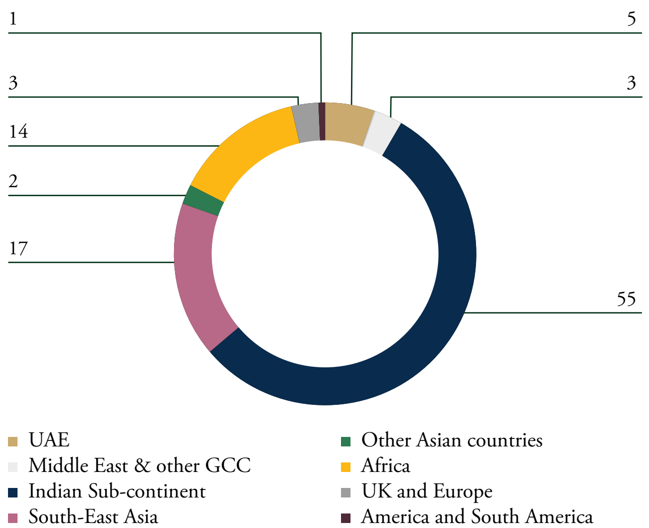
Emiritisation

Aligned with the UAE's vision to establish itself as a global talent hub, Emaar has strengthened its commitment to invest in local talent. Our ongoing efforts focus on empowering young Emiratis, enabling them to actively contribute to the nation's continuous development. In 2023, we achieved an Emiratisation rate of 18%, exceeding our internal target of 15%. To complement our efforts, we have a Mentorship and Training Program for Emiratis to support their professional development and success within our organisation.

- **Graduate Trainee Program 1.0:** 69 Emiratis from top UAE and US universities joined our 6-month Graduate Trainee Program 1.0. Among them, 29 trainees exhibited outstanding performance, earning them permanent roles in Emaar Properties.
- **Graduate Trainee Program 2.0:** Two recruitment drives in August 2023 attracted 71 Emiratis from top UAE, UK, and US universities for a 1-year programme.
- **Internship Program:** In 2023, 13 Emiratis from leading UAE Universities undertook an 8-week internship. 6 out of 13 secured permanent roles in Emaar Properties.
- **Experienced Engineers Recruitment:** The recruitment drive in 2023 resulted in the hiring of 19 Emirati engineering graduates with a minimum 5-year experience.
- **Ru'ya Career Fair:** The fair attracted 1,697 Emirati applicants (1,207 freshers), yielding over 21 successful hires to date.
- **Launch of Emirati Graduate Management Programme:** This programme welcomed 4 Emirati top graduates from top tier universities.
- **Launch of Mentorship Programme:** This initiative pairs graduate trainees and UAE nationals within Emaar, with 23 Emirati mentors identified to guide and develop the mentees. Overall, 147 are enrolled within the programme and distributed to 23 mentors.

Employee ethnic groups in 2023 (UAE)

(%)



SOCIAL

Customers

Emaar takes pride in being a customer-centric business. We endeavour to comprehend our customers intimately and to create products, facilities and experiences that exceed their expectations. The customer's relationship with Emaar is a long one, beginning with the search for a home and continuing through the living experience. We endeavour to make this entire journey enjoyable and long-lasting.

Customer Excellence

Our customer excellence department aims to create an exceptional customer experience through seamless automated processes and digital innovations. We ensure the swift resolution of customer issues, enabling us to maintain the overall quality of services provided.

Emaar's Customer Satisfaction (CSAT) is assessed through automated surveys triggered at the conclusion of each ECM-managed interaction. These surveys provide valuable insights into customer experiences. Leveraging online surveys, automatically initiated post-interaction, we gather real-time feedback. Additionally, at community events, QR codes facilitate immediate feedback collection, ensuring a comprehensive understanding of customer satisfaction across various touchpoints.

We implemented several initiatives during the reporting year to empower our customers and enhance the efficiency of our service delivery.

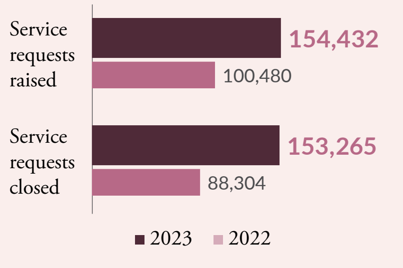
Emaar Customer Happiness Centres are walk-in contact centres that help to address customer issues. However, the launch of the Emaar One app has reduced centre walk-ins, and improved waiting and serving times. Customer Happiness Centres handled 39% more service requests in 2023 than in 2022. Relationship Managers proactively contacted signature clients via phone, email and through in-person meetings to resolve issues before these were escalated. These offline and online channels have helped to improve customer satisfaction scores across all business assets.

48,500+

Customer walk-ins at the Emaar Customer Happiness Centre (UAE)

Service requests raised vs service requests closed

(Number)

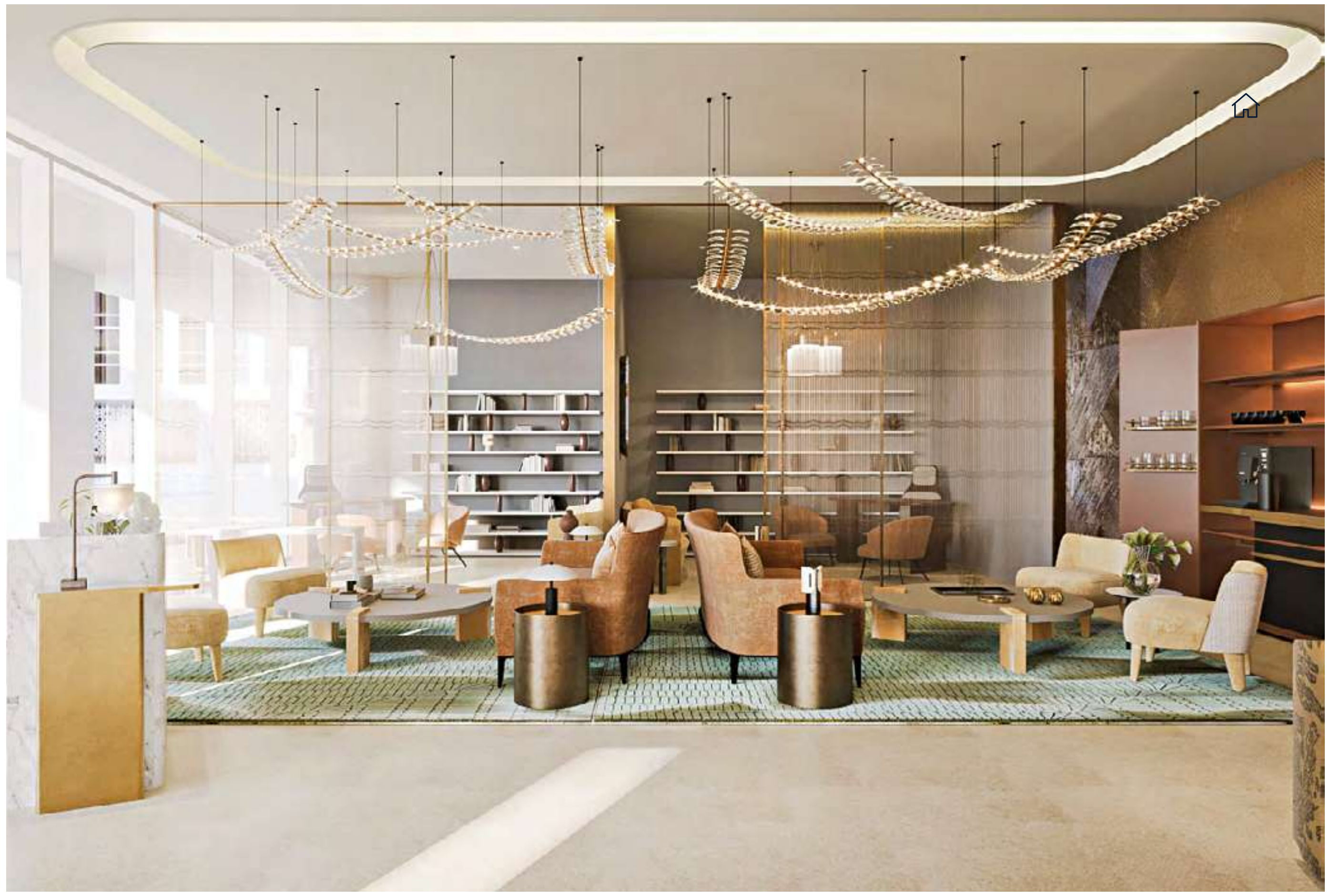


92.6%

Customer satisfaction score (UAE)

Key Features to Enhance the Customer Experience

- Three new and enhanced lounges for customers (Signature Lounge, Handover Lounge, Customer Happiness Centre)
- Customer forums with Emaar management
- QuickPay services to facilitate faster customer payments
- Golden Visa service counter for customers
- Integrated social media platform to capture customer feedback efficiently

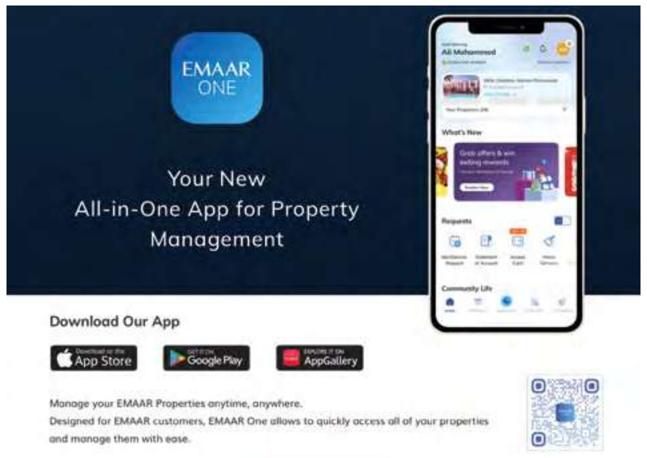


Emaar One Mobile Application

We are committed to digitally empowering our customers to conduct real-time interactions by offering abundant self-service options to streamline transactions. The Emaar One App offers a comprehensive solution, enabling a unified customer experience. It allows users to apply for services such as property transfers, updates, move-in and move-out permits, maintenance requests, advance payments for properties, and home services. Additionally, the app facilitates convenient payments for instalments and service fees.

56,000+

Emaar One application users with 39% y-o-y increase in active users AED 2 billion+ payments through Emaar One



Initiatives under Emaar One application

Digital token

Paperless token system for walk-in customers at the Customer Happiness Centre.

Property related services

Enhanced self-service experience of property related services such as registration, transfer, maintenance and other request types with hassle-free user journey and smart tracking mechanism.

Community services

Customers can now raise online request pertaining to their community services with status tracking conveniently.

Payment services

Significant improvements to the payment experience by adding advance payment and quick payment options.

App Design revamp

Design revamped to enable customers to navigate features with ease, in addition to a personalised menu listing based on usage.

Automated guest entry systems

Visitor access feature introduced facilitating the entry process in the communities through QR code-based pass, instead of email request.

Communities

We are committed to fostering positive change and making a meaningful impact in the communities we serve. We strive to address social, environmental, and economic challenges while driving sustainability awareness and creating shared value for the communities we serve.

19

Community Impacts

We focus on nurturing positive engagement and meaningful change within our communities. We organise social interaction and community-building events, enhancing the experience for residents. Additionally, our Corporate Social Responsibility (CSR) initiatives aim to foster positive changes in the local communities around us, contributing to the holistic well-being of the society.

Community Engagement and Events

Our commitment to sustainable community living extends to crafting activities tailored to meet the diverse needs of our residents, spearheaded by Emaar Community Management (ECM). In 2023, over 40,000 individuals participated in 54 events, celebrating various cultural festivities such as Hag El Leila, Eid Al Fitr, Eid Al Adha, and Diwali. Events like the UAE National Day, attended by approximately 13,130 people, serve to bolster community cohesion. Through these initiatives, we aim to foster awareness and appreciation for our residents of diverse nationalities. Additionally, to promote community health and fitness, we organise tournaments in squash, badminton, billiards, chess, and cricket.

54

Community events organised with over 40,000 attendees

Sustainable and Innovative Solutions

Emaar is committed to actively promoting environmental stewardship and awareness. In pursuit of this, we have instituted a range of initiatives and campaigns aimed at cultivating a collective sense of responsibility for sustainability.

Ditch the Plastic Bag Campaign

We encourage our residents to replace plastic bags with cloth alternatives while shopping. Through a community-wide design contest, residents crafted their unique cloth bags, sharing images on social media. Promoted across our channels, top winners not only received exciting prizes but were also prominently featured on our social media pages.

Lights Off, Impact On

All ECM communities participated in Earth Hour in March 2023. During this hour, they were encouraged to switch off all non-essential lights in the common areas of our communities.

Best Out of Waste

The ‘Best Out of Waste’ campaign was held on World Environment Day. It encouraged residents to repurpose recyclable household items into decorative pieces, promoting innovation, upscaling and waste reduction.

Spreading Sustainability Awareness

Our approach to promoting sustainable practices and raising awareness involves informing and engaging customers through various events. These are communicated to our residents through mass emails, newsletters, messages and social media. Activities organised by ECM, such as green drives, sustainability campaigns, and contests, emphasise the importance of sustainable living.

To further promote eco-friendly living, ECM hosts events on significant international days like Earth Hour and World Environment Day. These events feature competitions to encourage and reward residents for adopting green practices. Additionally, to educate residents about sustainable habits and inspire positive societal change, information related to resource conservation, such as water conservation tips, among others, is published in newsletters. This approach demonstrates our commitment to fostering environmental awareness and sustainable living within our communities.

SOCIAL

Driving Social Impact

We believe a better society can only flourish on a healthier planet. The Emaar Foundation serves as the Emaar Group's apex entity to lead and mobilise our social development initiatives in the UAE. During 2023, the Foundation has embraced its role as a catalyst for positive change, guiding community, environmental, and cultural initiatives with a steady hand. Our activities address immediate challenges and invest in the long-term well-being of our communities. We share the results of our efforts with pride as we continue to build on Emaar's legacy of contributions across the UAE, India, and Egypt.

Objectives of Our Corporate Social Responsibility (CSR) Strategy

- Providing sustainable benefits for our stakeholders
- Minimising our impact on the environment, both directly and through what we do for our stakeholders
- Providing support for the well-being and development of staff
- Improving the positive impact on the communities we live and work in and reducing the negative impact
- Continuous development of our governance and transparency

AED 54 Mn

CSR expenditure by the Group*

AED 20,315,000

Cash contributions through Emaar Foundation

*Including Emaar Foundation

A Chronicle of Meaningful Contributions in 2023

Emaar has shown a profound commitment to humanitarian and community initiatives, headlining significant contributions to both international aid and local development. We donated AED 5 million to the Red Crescent Society, supporting critical humanitarian efforts in Syria and Turkey, and provided AED 315,000 to the Security Commodities Authority to enhance trading environment security. Additionally, we made impactful contributions, including an AED 15 million donation to the government housing programme for social housing and community development, and a significant investment of AED 900,000 in drones for Dubai Civil Defence, boosting the city's emergency response capabilities.

Beyond these major initiatives, we have been actively involved in a variety of other projects through our different business units in 2023. Emaar Entertainment has focused on community engagement and educational activities, Emaar Hospitality has led health and wellness campaigns, and Emaar Development has promoted sustainable living. Emaar Malls has also been instrumental in hosting diverse cultural and social events. These efforts, combined with initiatives like supporting autism awareness, combating hunger, breast cancer awareness and mental health advocacy, demonstrate our holistic approach to corporate social responsibility and our commitment to enriching and supporting the communities we operate in.

Emaar India's Ujaala Programme Empowers Community Support

In 2023, Emaar India reaffirmed its commitment to corporate social responsibility through its Ujaala programme. Various impactful initiatives were organised to support communities, promote sustainability, and enhance well-being. These efforts ranged from providing companionship to the elderly to promoting literacy and education among underprivileged communities. Employees actively participated in activities such as blood donation campaigns, tree plantation drives, and stationery donations, reflecting Emaar India's dedication to making a meaningful difference in society and fostering a culture of giving back.

Gaza Aid Contribution

Emaar UAE and Emaar Egypt extended a helping hand to Gaza. We collected four tonnes of essentials, donating 55 boxes to the 'Tarahum for Gaza' campaign with support from 15 volunteers in the UAE. Meanwhile, Emaar Egypt provided three tonnes of blankets and 35 tonnes of food boxes. These initiatives aim at delivering essential relief to the people in Gaza in these challenging times.

Case Study

Emaar Misr Undertook Home Renovation and Income-generating Projects

Emaar Misr collaborated with Misr El-Kheir for the Beyout Al Kheir initiative, Egypt's largest private sector-funded project. We invested EGP 140 million for the first and second phases, ensuring a housing unit for underprivileged families for every unit that Emaar built in Egypt. Impactful outcomes included 429 renovated homes, benefiting 1,716 individuals, with 45 income-generating projects in Luxor and Sharqia, all built sustainably. We also undertook restoration and rehabilitation projects like the Social Care Association for Orphans in Beni Suef and Al-Shaimaa Orphanage in Assiut.

429

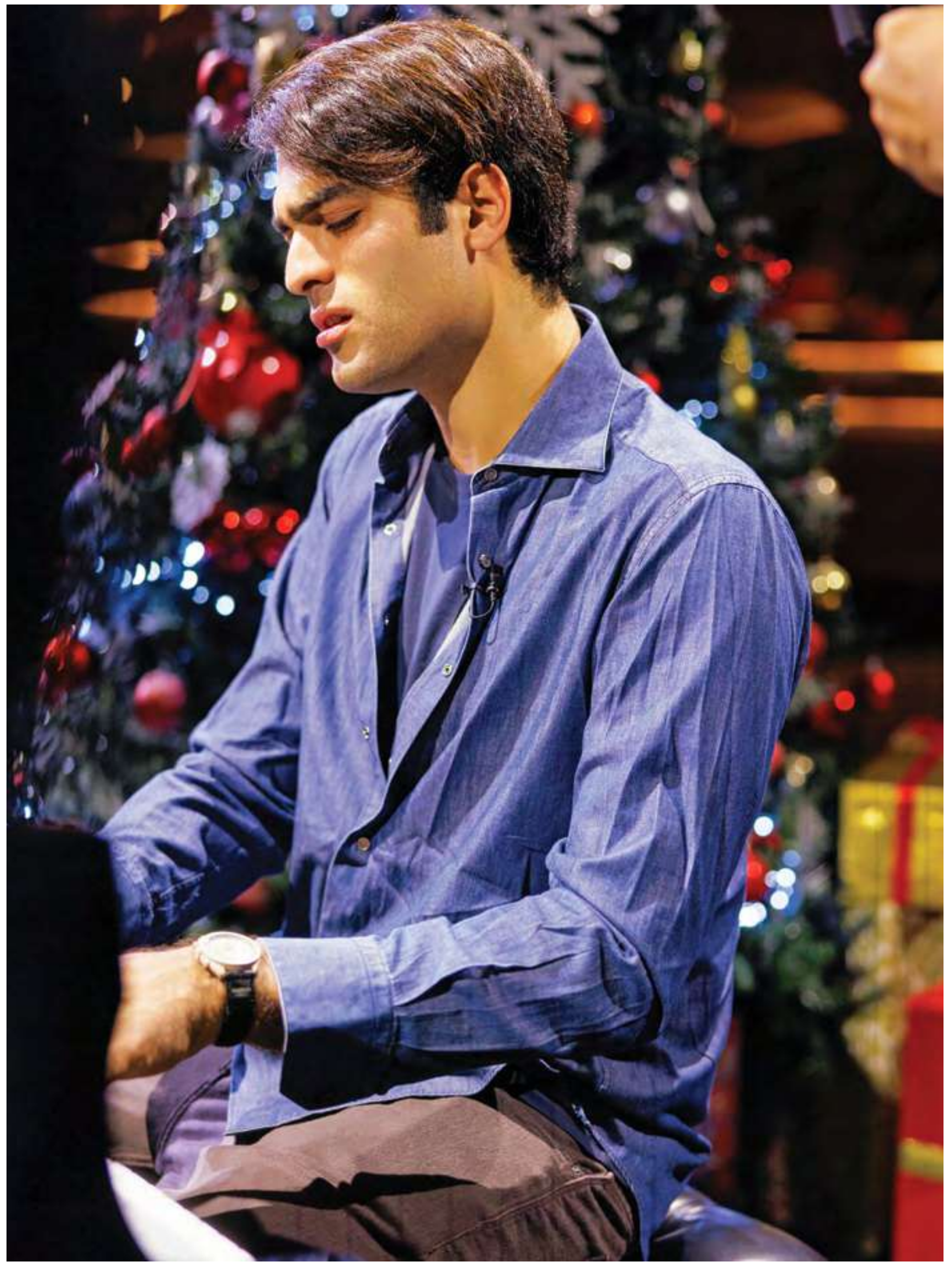
Home renovation projects in Luxor (42 homes + kids playing area) and Sharkia (387 homes) governorates

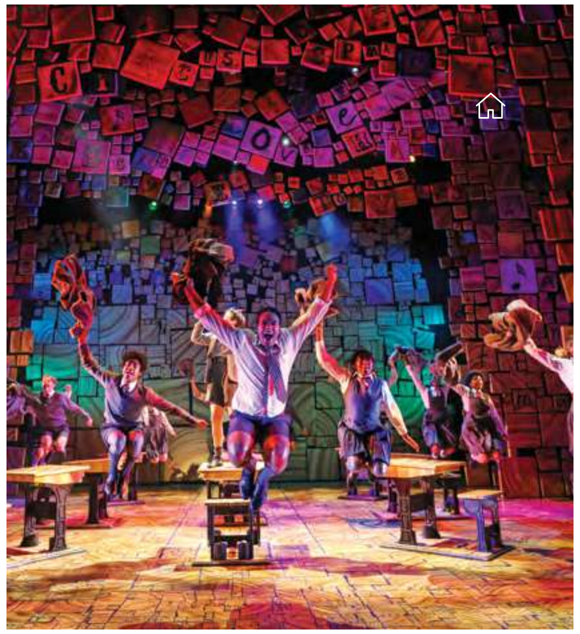
45

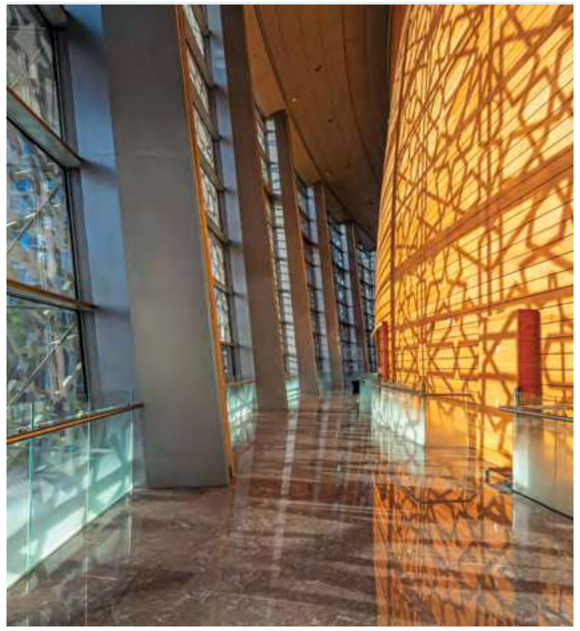
Income-generating projects in Luxor and Sharkia

SOCIAL

Enriching Lives through Arts and Culture







Arabic Music Institute: In Harmony with Culture

The Arabic Music Institute reflects Emaar Entertainment's dedication to enriching the local community and preserving the musical tradition of the region. This institute's objective is to nurture the talent of young learners between the ages of six and nine, imparting the fundamentals of Arabic music. The specialised programme, which began in January 2024, adopts a holistic approach to music education by integrating practical skill-building with theoretical knowledge and includes instrument lessons, chorus singing, and solfeggio.

The institute also caters to a wider audience, providing private lessons to music enthusiasts across all age groups. This inclusive approach gives a diverse group of learners access to a variety of instruments – from the traditional Arabic ones like the oud and qanun to Western instruments such as the violin and cello. This is a testament to the institute's commitment to cultivating an understanding and appreciation for the richness of Arabic music.

The Arabic Music Institute features a blend of modernity and tradition, designed to support an immersive learning experience. Among the facilities are acoustically engineered private training rooms, classrooms, and world-class recording studios. A performance majlis, a music library, a cosy café, and a music museum further enrich the institute's offerings. The museum, in particular, acts as a window to the history of Arabic music, featuring interactive exhibits and a karaoke room, inviting visitors to actively engage with the rich musical heritage.

Emaar Entertainment's Arabic Music Institute is designed to be a cultural landmark in Downtown Dubai. The institute's focus on encouraging budding talent and broad approach towards education, supported by its cutting-edge facilities, positions it as a significant contributor to the region's cultural landscape. Through this institute, Emaar Entertainment reinforces its commitment to cultural development and community engagement in the region.

Dubai Opera: A Symphony of Art and Culture

Dubai Opera, as the 'House of Cultures', channels the transformative power of the arts and the impact of cultural exchange in bridging communities. The definitive destination for performing arts in the city, the 2,000-seater Dubai Opera goes beyond traditional objectives, emerging as a catalyst for community development. For its 2023-24 season, the theatre has curated collaborations, educational endeavours, and cultural programmes, highlighting its position as a global cultural hub committed to effective and ethical governance.

In its 7th year, Dubai Opera has strengthened its community engagement efforts with the introduction of the Dubai Opera Studio. Designed for intimate performances, like the Global Notes concert series, the studio nurtures local talent and encourages artistic innovation, while promoting the cultural heritage of the region. This series, a collaboration with Encore, a leading performing arts company in the city, demonstrates Dubai Opera's commitment to artistic excellence and celebrating cultural diversity.

Dubai Opera's collaboration with Steinway & Sons Hamburg has led to the creation of the exclusive Dubai Opera Edition grand piano. As part of the prestigious Steinway Concert Hall Series, this limited edition pays homage to global concert halls. The design integrates the Arabesque pattern of Dubai Opera, drawing inspiration from the traditional dhow sailing vessels and Dubai's sand dunes. The piano was unveiled on January 11th, 2024, with a mesmerising concert by pianist Khatia Buniatishvili.

In its efforts towards community development, Dubai Opera partners with educational institutions, such as the Dubai Symphony Project, to provide a platform for both local and international artists. The season's lineup includes theatrical productions, ballets and various collaborations, aligning with Dubai Opera's reputation as a vibrant cultural destination.

Dubai Opera mirrors Emaar's dedication to shaping a cultural renaissance, promoting artistic brilliance, and encouraging community engagement in the region.

GOVERNANCE

Strong Governance and Business Ethics

Our corporate governance philosophy, underpinned by our commitment to transparency, integrity, and accountability, aligns with global standards. The Board's keen oversight ensures that we grow both sustainably and responsibly while remaining compliant with the Governance Guide by the Securities and Commodities Authority. A robust governance framework reinforces sound practices across the Company.

- Standards of Conduct Policy
- Anti-corruption and Bribery Policy
- Anti-fraud and Whistle-blower Policy

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

55%
Independent Directors

100%
New suppliers screened for environmental and social parameters in the UAE

△△ Material Topics

- Board Oversight and Accountability
- Ethics and Transparency
- Human rights
- Anti-corruption and Bribery Prevention
- Legal and Regulatory Compliance
- Responsible Procurement
- Economic Performance and Resilience
- Risk Management
- Innovation and Digital Transformation
- Data Privacy and Security

Corporate Governance Framework

Transparency and accountability

Board of Directors

- Provide strategic direction and evaluate overall performance
- Ensure the long-term interests of the stakeholders are served

Board Committees

Audit Committee	Investment Committee	Nomination and Remuneration Committee	Risk Committee	Committee for monitoring Insider Trading

Management reporting to the Board

Board Snapshot 2023

9 Directors	**1** Woman Director	**4** Board meetings
2 Executive Directors	**58 years** Average age of Board members	**97%** Board meeting attendance

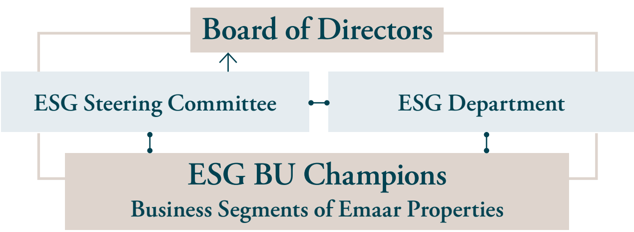
13

Board Oversight and Accountability

To ensure effective governance and compliance, the Board monitors the implementation of all strategic decisions and upholds strict accountability across the organisation. Our corporate governance framework, while establishing the foundation of a strong internal control mechanism, ensures best practices and builds trust by safeguarding stakeholders' best interests.

ESG Governance (Emaar Properties – Parent level)

In 2023, we hired a Head of ESG and established an ESG Steering Committee to embed ESG considerations within our existing corporate governance framework and ensure an appropriate level of oversight of ESG topics. The Committee comprises Executive Management team members who report to the Board of Directors. The Committee is responsible for setting and overseeing our ESG strategy, ensuring effective assessment and management of ESG risks and opportunities, and aligning the ESG strategy with Emaar's business strategy. The Committee members also have ESG KPIs linked to their performance and remuneration.



Reports to · Collaborates

Audit Committee

- Monitors external auditor appointment, independence, and audit process effectiveness
- Monitors financial statement integrity, reviews internal controls, risk management, and policies
- Ensures compliance with the Standards of Conduct policy
- Reviews and approves related party and/or conflicted transactions

Meetings held	Meeting attendance
6	94%

Risk Committee

- Supports the Board in fulfilling oversight responsibilities
- Reviews and monitors the Company's risk management framework

Meetings held	Meeting attendance
5	100%

Investment Committee

- Reviews the Company's new investments, feasibility studies, and related financial transactions

Meetings held	Meeting attendance
4	95%

Nomination and Remuneration Committee

- Reviews structure, size and composition of the Board and its committees
- Recommends to the Board the Remuneration Policy
- Determines remuneration packages of Board members and employees
- Regulates, organises, and monitors Board member nomination procedures

Meetings held	Meeting attendance
3	100%

Committee for Monitoring Insiders Trading

- Manages, monitors, and supervises insider trading and ownership of securities

Internal Control System

The Board of Directors has established an internal control system in the form of an internal control policy to assess risk management methods and procedures, ensure adherence to the Governance Guide, comply with relevant laws, regulations, and internal policies, and review financial information used in the preparation of the Company's financial statements. The Board of Directors acknowledges its responsibility for the Company's internal control system, for reviewing its methods of operation and confirming the effectiveness of the internal control system. The Audit Committee supports the Board of Directors in overseeing the application of the internal control system. The Internal Audit Department under the supervision of the Audit Committee follows a systematic and disciplined approach to assess and improve the effectiveness of the internal control system.

The internal control policy requires that the Board of Directors periodically review the Company's internal control system.

7

Ethics and Transparency

Emaar Properties' Standards of Conduct Policy, Anti-corruption and Bribery Policy, Anti-fraud and Whistleblower Policy, and programme apply to personnel (including all Directors, officers, and employees) and business partners of Emaar's UAE and international offices and subsidiaries of Emaar. They serve as our unifying guide, anchored in our core values, and provide details on the standards of integrity that Emaar Properties expects all employees and Directors to follow. They cover several key principles of ethical conduct, including anti-corruption and anti-bribery practices. The purpose of the Code is to:

- Help employees recognise ethical and legal issues
- Guide employees in the resolution of ethical and legal issues
- Provide procedures for reporting violations of the Code
- Support a wholesome and productive work environment, free from discrimination and harrassment
- Assure compliance with the law and governmental rules and regulations

Furthermore, these policies provide clear guidelines for all legal entities and personnel within to ensure compliance with Anti-Corruption Laws and Emaar Group's business standards and expectations. Emaar Properties employees are required to sign a non-conflict of interest (COI) declaration at the time of joining. Additionally, a Board-approved 'Related Party and Conflict of Interest Transaction Policy' is in place, which governs any potential scenarios of Conflict of Interest, and ensures that all business transactions are dealt with at arm's length.

Employees are made aware of the requirements of the policies on joining the Group, through our sign-off on our Standards of Conduct. Regular internal refreshers (such as in the form of annual internal communications) are also provided to reinforce our expectations of them. Suppliers are made aware of the requirements through communication of our Standards of Conduct Policy, Whistleblowing line and relevant clauses in our contracts.

Any suspected cases of wrongdoing and/or non-compliance are independently reviewed by the Internal Audit Department, and appropriate disciplinary actions are taken. Applicable, suspected cases are then referred to the relevant authorities. The Board of Directors has oversight of ethical issues through the Audit Committee. Audits of processes and operations and those relating to Emaar's ethical standards are carried out annually in accordance with an approved audit plan.

Our focus on human rights encompasses a dedication to workforce well-being, safety, and the eradication of discrimination and harassment at Emaar. Our primary operations are within the UAE and our policies and procedures reflect relevant applicable UAE Federal Laws and protection they offer towards human rights. Our commitment extends to prohibiting forced and child labour across our supply chains. Through our Standards of Conduct we maintain the highest standards of professionalism, integrity and fairness to drive business improvement.

Worker welfare - Page 70

GOVERNANCE

4

Anti-Corruption and Bribery Prevention

We are committed to conducting business with honesty and integrity and in compliance with all legal and regulatory requirements.

Anti Corruption and Bribery Policy

Our Anti-Corruption and Bribery policy and Standards of Conduct Policy prohibit employees from offering, promising, giving or receiving anything of value to improperly influence a decision or to gain an improper or unfair advantage in promoting, enhancing, obtaining or retaining business. This policy extends to our Board and management team and all our employees.

Corporate Anti-Fraud and Whistleblower Policy

To strengthen the governance framework around Anti-corruption and Bribery, we have established a comprehensive Corporate Anti-Fraud and Whistleblower Policy, which is approved by the Board of Directors. Furthermore, the Audit Committee, as mandated by the Board of Directors, is responsible for the administration, revision, interpretation and application of this Policy. Although, no organisation or administrative process is fully free of fraud risk, which is the vulnerability or exposure to acts of fraud and irregularity, Emaar's Management is committed to providing a process for reporting and investigating complaints, concerns and suspected violations of policies and laws through Emaar's Whistleblower Programme.

3

Legal and Regulatory Compliance

We have integrated compliance controls across our operational and strategic processes, and we employ a multi-tiered governance structure with Board-nominated committees and comprehensive policy documentation. The Audit Committee, Compliance Officer, Internal Audit, and Legal teams ensure continuous compliance monitoring. Vigilant on legal and regulatory changes, we proactively align our businesses, processes, and systems for effective compliance, including environmental regulations and considerations.

22

Responsible Procurement

Responsible Procurement is central to our operations. Suppliers are onboarded after qualifying in supplier assessments and regular audits are undertaken to ensure quality and consistency. We provide a safe working environment and fully automated digital (paperless) procurement processes. Suppliers are also made aware of our anti-corruption and bribery policy through communication of our Standards of Conduct Policy, Whistleblowing line and relevant clauses in our contracts.

Supplier warehouse audit (F&B - EHG)

Supplier pre-qualification

Supplier management process

Supplier performance survey

Health and Safety code of conduct

Supplier ESG Criteria

The environmental and social criteria against which suppliers are screened include:

- Labour Standards Policy
- Ethics Policy
- Sustainability Policy/Energy Policy and Plan (ISO 50001)
- Environmental Policy and Plan (ISO 14001)
- Quality management systems (ISO 9001
- Occupational health and safety management systems (ISO 45001)

As we progress towards integrating our ESG priorities within our supply chain, we are increasing our focus on local suppliers, minimising GHG emissions and supporting the local economy.

In 2023, with 2,953 active suppliers in the UAE, 99.5% of our business was from local suppliers.

100%

New suppliers screened for environmental and social parameters (UAE)

2,953

Total active suppliers (UAE)

GOVERNANCE

16

Economic Performance and Resilience

A rigorous governance system and a robust portfolio strategy assure our economic resilience, which is also bolstered by integrating innovation into our business and delivering best-in-class offerings. This approach helps us provide customer value, generate earnings, and thus create lasting value for both our shareholders and our communities. Financial discipline, risk assessment, and adaptability are key pillars of our portfolio management, ensuring high-quality assets and strong financials. This proactive stance enables us to navigate economic complexities while maximising shareholder returns and maintaining stakeholder commitment.

Economic Value Distributed and Retained	(AED '000)
A) Direct Economic Value Generated	
Total revenue from operations	26,749,821
Share of profit of Associate/ Joint Venture companies	236,975
Other Income*	4,665,010
Total	**31,651,806**
B) Economic Value Distributed	
Total operating costs	11,455,440
Employee wages and benefits	1,280,423
Payments to providers of capital	3,660,994
Payments to government^	232,414
Community investments@	217,076
Total	**16,846,347**
Economic Value Retained (A-B)	**14,805,459**

Review of our business segments - Page 24

* Other income includes Finance income, other operating income and other income.
^ Income tax paid during the year (Excluding VAT).
@ Includes donation and service fee.

21

Innovation and Digital Transformation

We have been at the forefront of digital innovation and transformation in the industry. Our digitalisation strategy enables us to drive value creation by leveraging the latest technologies in order to transform our business operations, enhance the customer experience, and generate growth.

Our technology team at Emaar offers a comprehensive range of services, encompassing application and infrastructure services such as consulting, project management, application development and support, and process engineering. These services are designed to cater to a broad spectrum of industries and provide highly scalable end-to-end solutions.

Technology Strategy

- **Enriched digital experience for our customers and stakeholders**
- **Enable self-service capabilities on digital channels/ platforms for faster and seamless customer delivery**
- **Strengthen cyber resilience by adopting and implementing best-in-class solutions**
- **Invest in scalable and future-ready products and platforms**
- **Drive efficiencies in business processes through Robotic Process Automation (RPA)**
- **Leverage advanced analytics for driving business processes and decision making.**
- **Drive digital transformation for end-to-end project development lifecycle**

5

Data Privacy and Security

We prioritise data security and privacy in our commitment to sustainability. As technology advances, safeguarding sensitive information is crucial to maintaining stakeholder trust. Through stringent measures and continual investments, we fortify system resilience, ensuring the protection of valuable data assets and fostering a secure digital ecosystem for a sustainable future.

100%

Compliance with data privacy and security measures

Our Approach to Cyber Security and Data Management

Cyber-risk and Threat Management

Committed to proactive cyber-risk management

Safeguarding valuable information and upholding stakeholder trust with top-tier cybersecurity standards

Cyber-risk vigilance

Employing industry best practices to identify and mitigate risks that may compromise system integrity, data security, and reputation

Pre-launch security

Before introducing any products, services, or sensitive data, thorough information security assessments are conducted, ensuring robust processes and controls

Data Management

Comprehensive data approach

Leveraging diverse data sources for comprehensive insights and informed decision-making, our data approach emphasises transparency and honesty in all aspects of data management

Holistic data utilisation

Utilising various data sources to gauge performance and gain insights across financial, operational, customer, and people perspectives

Data Protection

Prioritising data protection practices

Risk Management at Emaar

Amidst the challenges of an uncertain and evolving business environment, it is imperative to have in place a robust framework that systematically assesses the risks to our business, both external and internal, along with stringent measures to address them effectively. Our rigorous assessment process allows us to pinpoint risks and gauge their significance, reduce their effect, and equip us to adapt and create a secure and stable business climate to construct our future. We have incorporated a comprehensive and holistic enterprise-wide risk management (ERM) framework that unites external best practices and our strategic objectives while keeping our stakeholders' values and interests in mind.

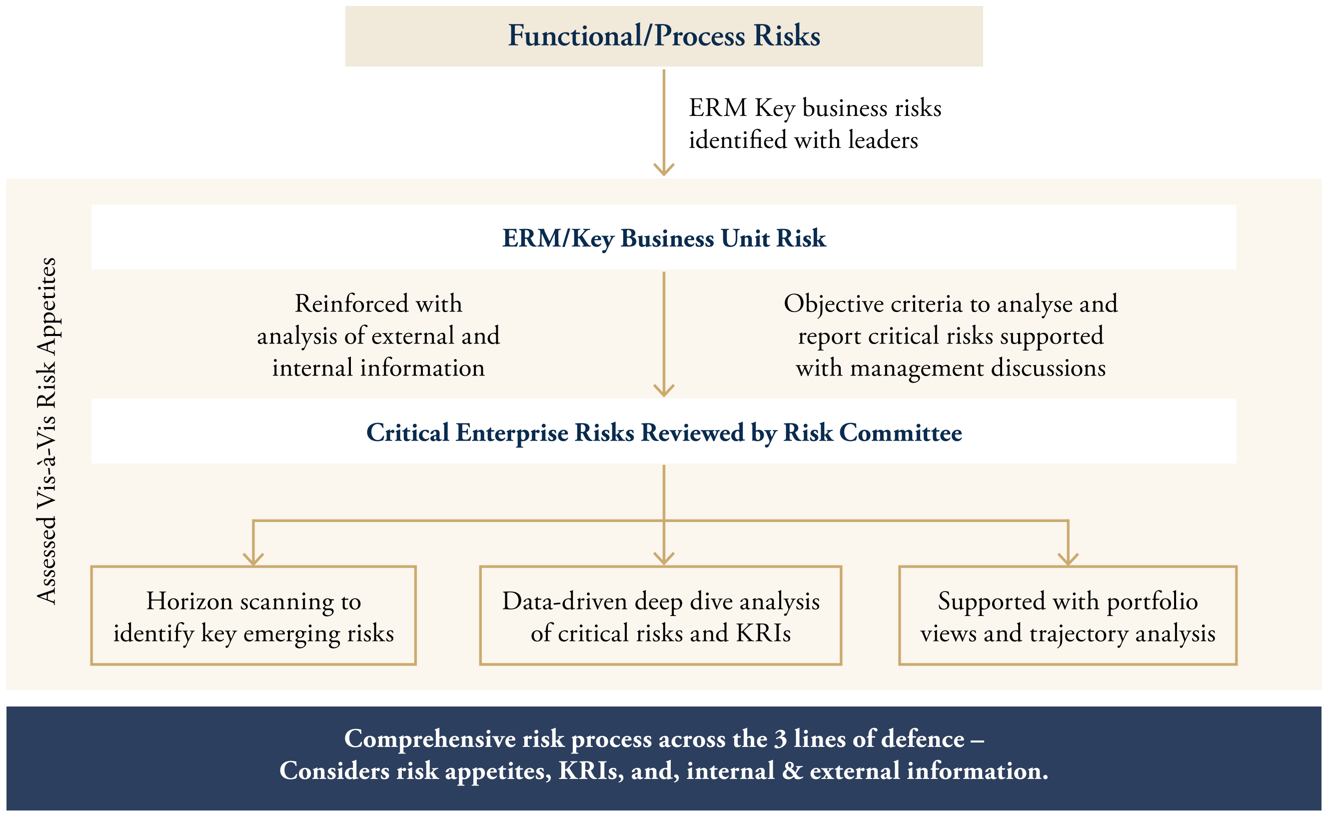
Holistic Risk Management Process

Our Board of Directors drives our risk management process, through the risk committee (consisting of board members) and ERM team, to create a collaborative process with three lines of defence – risk appetite, KRIs, and internal and external information. Our risk principles are reinforced by risk appetite statements that are tailored to our strategic objectives and business context, which are operationalised through our ongoing risk monitoring.

We have adopted a comprehensive approach to identify and evaluate both process/operational risks and enterprise-wide risks, assessing and prioritising each risk based on an impact and likelihood matrix vis-à-vis our risk appetite and KRIs performance. All risks and their mitigation plans are identified, monitored, and communicated across all levels of the organisation to create a holistic risk profile and provide organisation-wide visibility.

To further enhance our risk processes and maturity, we are actively implementing practices to develop our internal control environment and integrate risk management principles into our daily operations. The ERM team remains dedicated to the systematic implementation of our ERM framework and engages with the first line of defence to ensure that risks are managed proactively.

The Risk Management Process



Key Risks and Mitigation

Description	Mitigation
Market Cyclicality	Page 109
Unable to identify and respond to changing market dynamics	Emaar reviews its business unit and geographical location strategies and continuously scans for potential market/economic events that can negatively impact its businesses. It monitors business performance across its portfolio on a regular basis and where necessary, it takes agile risk-informed decisions to realign its business and strategic trajectory vis-à-vis changing trends. The risk management process includes research-driven horizon scanning exercises to identify and mitigate any material adverse events. Further, Emaar maintains adequate liquidity to ensure that any adverse events can be successfully managed.
Access to Liquidity	Page 123
Unable to maintain adequate levels of liquidity to support Group operations and strategic ambitions	Emaar utilises liquidity monitoring and management controls to ensure that the Group has continuous access to capital. This includes maintaining an investment grade rating, earmarking cash against project development costs, and ensuring active lines of credit with reputable financial institutes. Further monitoring processes are embedded to ensure that changes in the group's liquidity profile are timely identified and mitigated.
Operational Risk Hazards	Page 68
Failure to provide an environment that promotes health, safety, and wellbeing impacts our ability to achieve our corporate and social responsibilities	Emaar is committed to the health, safety, and wellbeing of our people and stakeholders. Through various initiatives that target both physical safety and health & wellbeing, we empower our people and stakeholders to operate at a consistent standard across all our operations.
Technology	Page 90
Failure of cyber resilience and defence systems. Leakage, misappropriation, or unauthorised storage of data	Physical and data security continue to be key focus areas globally. Emaar invests in preventative technology, continuous assessment and testing of IT controls, and education of employees to achieve a sustainable security culture.
Talent and People Management	Page 73
Inability to attract, retain and upskill key talent necessary to deliver strategic objectives; or lack of scalable processes to support predictable growth.	To deliver the desired level of performance, Emaar continues to invest in growing core capabilities through active talent recruitment, people management through effective engagement, and professional development, especially of key/high-calibre employees. Emaar's talent strategies focus on attracting, retaining, and growing the best people. Emaar's processes are designed to be consistent, scalable and effective, and are supported by applicable systems and technologies.
Regulatory Compliance	Page 88
Failure to actively comply with internal and external regulations	Emaar has embedded compliance controls throughout its operational and strategic processes. It has further developed a multi-tiered governance structure, with established board-nominated committees and policy documentation. Ongoing compliance is monitored by the Audit Committee, Compliance Officer, Internal Audit, and Legal teams. It also continuously scans legal and regulatory environments to identify any material changes that could negatively impact its businesses. It takes timely pre-emptive actions to align its businesses, processes, and systems to ensure effective compliance.

Board of Directors

Mr. Jamal Bin Theniyah
Chairman
Non-executive, Non-Independent

12 years on the Board
Appointed on 23.04.12

Mr. Ahmed Jawa
Vice-Chairman
Non-executive, Non-Independent

18 years on the Board
Appointed on 08.03.06

Mr. Mohamed Ali Alabbar
Managing Director
Executive, Non-Independent

26 years on the Board
Appointed on 30.12.97

Mr. Ahmad Almatrooshi
Executive Board Member
Executive, Non-Independent

18 years on the Board
Appointed on 01.12.05

Mr. Jassim Al Ali
Board Member
Non-executive, Independent

6 years on the Board
Appointed on 22.04.18

H.E. Eng. Sultan Al Mansoori
Board Member
Non-executive, Independent

2 years 9 months on the Board
Appointed on 11.04.21

H.E. Helal Almarri
Board Member
Non-executive, Independent

2 years 9 months on the Board
Appointed on 11.04.21

Mr. Buti Almulla
Board Member
Non-executive, Independent

2 years 9 months on the Board
Appointed on 11.04.21

Ms. Eman Abdulrazzaq
Board Member
Non-executive, Independent

2 years 9 months on the Board
Appointed on 11.04.21

Core Board Skill Matrix

	Mr. Jamal Bin Theniyah	Mr. Ahmed Jawa	Mr. Mohamed Ali Alabbar	Mr. Ahmad Al Matrooshi	Mr. Jassim Al Ali	H.E. Eng. Sultan Al Mansoori	Mr. Helal Al Marri	Mr. Buti Al Mulla	Ms. Eman Abdulrazzaq
Entrepreneur/ leadership	★	★	★	★	★	★	★	★	★
Innovation and technology			★		★	★	★	★	★
Finance management	★	★	★			★	★	★	★
Global exposure	★	★	★	★	★	★	★	★	★
Real estate industry experience	★	★	★	★	★	★	★	★	★
Mergers and acquisitions	★	★	★				★	★	★
Strategic management	★	★	★	★	★	★	★	★	★
Building customer experience	★		★	★	★		★	★	★

★ - Indicates Board Skills

Principal Officers

Mr. Mohamed Ali Alabbar

Managing Director

Mr. Ahmad Thani Rashed Al Matrooshi

Executive Board Member

Mr. Amit Jain

Group CEO

Ms. Maitha Al Dossari

CEO Strategic Projects

Mr. Saeed Almadani

Group Chief Audit Officer

Mr. Ahmad Al Falasi

Executive Director, Group Operations

Mr. Hesham Heikal

Group CFO

Mr. Ahmed Wassim Alarabi

Group CEO, Malls

Mr. Mark Gordon Kirby

COO, Emaar Hospitality

Mr. Ayman Elnaggar

Head of Legal

Ms. Alma Au Yeung

Head of Corporate Marketing

Mr. Mayank Bhargava

Head of IT

List of Abbreviations and Units

List of Key Abbreviations

<IR> – Integrated Reporting

3D – Third Dimensional

AHU – Air Handling Unit

AI – Artificial Intelligence

ADR – Average Daily Rate

ASHRAE – American Society of Heating, Refrigerating and Air–Conditioning Engineers, Inc

BMS – Building Management System

BREAAM – Building Research Establishment Environmental Assessment Methodology

CAGR – Compound Annual Growth Rate

CEO – Chief Executive Officer

CFO – Chief Financial Officer

COI – Conflict of Interest

COO – Chief Operating Officer

COP – Conference of the Parties

COVID – Corona Virus Disease

CSAT – Customer Satisfaction

CSR – Corporate Social Responsibility

DCA – Dream & Charme Association

DCP – District Cooling Plants

DET – Department of Economy and Tourism

DEWA – Dubai Electricity & Water Authority

DFM – Dubai Financial Market

DHE – Dubai Hills Estate

DHE–CDP – Domestic Household Effluent – Condensate Drain Pipeline

DHEP – Dubai Hills Estate Park

DJSI – Dow Jones Sustainability World Index

DSS – Dubai Solar Show

DSTS – Dubai Sustainability Stamp

DX – Direct Expansion

EBITDA – Earnings Before Interest, Taxes, Depreciation, and Amortisation.

ECC – Engineering Contracting Company

ECM – Emaar Community Management

ECM – Energy Conservation Measures

EDC – Emaar District Cooling

EFM – Emaar Facility Management

EHG – Emaar Hospitality Group

EMEP – Emaar's Mechanical, Electrical and Plumbing

eNPS – Employer Net Promoter Score

ERM – Enterprise Risk Management

ESAM – Emaar's Smart Asset Management

ESCO – Energy Service Company

ESG – Environmental, Social and Governance

ESG BU – Environmental, Social, and Governance Business Unit

ETS – Energy Transfer Stations

EV – Electric Vehicle

FAHU – Fresh Air Handling Unit

FCUs – Fan Coil Units

FM – Facility Management

FRP – Fibre Reinforced Plastic

FTE – Full Time Equivalent

GCC – Gulf Cooperation Council

GHG – Green House Gas

GLA – Gross Leasable Area

GREs – Government–Related Entities

GRI – Global Reporting Initiative

GRIHA – Green Rating for Integrated Habitat Assessment

H&S – Health and Safety

HR – Human Resource

HSE – Health Safety and Environment

HSSE – Health, Safety, Security & Environment

HVAC – Heating, Ventilation, and Air Conditioning

IDP – Individual Development Plan

IFRS – International Financial Reporting Standards

IoT – Internet of Things

ISO – International Organisation for Standardisation

IT – Information Technology

JDA – Joint Development Agreement

JV – Joint Venture

KPI – Key Performance Indicator

KRI – Key Risk Indicator

KWp – Kilowatt peak

LDI – Landscape Design Intensity

LED – Light Emitting Diode

LEED – Leadership in Energy and Environmental Design

LEED ND – Leadership in Energy and Environmental Design Neighbourhood Development

LLC – Limited liability company

LPD – Lighting Power Density

LTIFR – Lost Time Injury Frequency Rate

MAB – Marassi Al Bahrain Plant

MENA– Middle East/North Africa

MEP – Mechanical, Electrical and Plumbing

MSCI – Morgan Stanley Capital International

NA – Not Applicable

NGO – Non-Governmental Organisation

O+M – Operations and Maintenance

PAC – Precision Air Conditioner

PDF – Portable Document Format

PICV – Pressure Independent Control Valve

PJSC – Public Joint Stock Company

PV – photovoltaic

Q1 – Quarter 1

QR – Quick Response

RevPAR – Revenue Per Available Room

RO – Reverse Osmosis

RoCE – Return on Capital Employed

RoI – Return on Investment

RTA – Roads and Transport Authority

SASB – Sustainability Accounting Standards Board

SDG – Sustainable Development Goals

SRI – Solar Reflectance Index

STP – Sewage Treatment Plant

T1 – Tower 1

T2 – Tower 2

T3 – Tower 3

TES – Thermal Energy Storage Tank

TSE – Treated Sewage Effluent

UAE – United Arab Emirates

UK – United Kingdom

UN SDGs – United Nations Sustainable Development Goals

US – United States

VFD – Variable Frequency Drives

VSD – Variable Speed Drives

WELL – WELL Building Standard

WETEX – Water, Energy, Technology, and Environment Exhibition or World Energy Technology Exhibition

y-o-y – Year over Year

List of Units

AED – United Arab Emirates Dirham

Bn – Billion

CO – Carbon Monoxide

CO_2 – Carbon Dioxide

EGP – Egyptian Pound

GWh – Gigawatt hour

IG – Imperial Gallons

Kg – Kilogram

MT – Metric Ton

$MTCO_2e$ – Metric Ton Carbon Dioxide Equivalent

Mn – Million

MW – Megawatt

MWp – Megawatt peak

m^3 – Cubic Meter

sq. ft – Square Feet

TR – Ton of Refrigeration

TRH – Tonne of Refrigeration Hour

GRI Content Index

GRI 1: Foundation 2021

Statement of Use	Emaar Properties PJSC has reported the information cited in this GRI content index for the period 01 January 2023 - 31 December 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI 2: General Disclosures

Disclosure	Location		
	Section	Page No.	UN SDGs
The organisation and its reporting practices			
2-1 Organisational details	At a Glance	3, 16-17	
2-2 Entities included in the organisation's sustainability reporting	About the Report	2	
2-3 Reporting period, frequency and contact point	About the Report	2	
2-4 Restatements of information	1. The energy and water consumption figures for 2022 have been restated due to adjustments in overall electricity and water consumption, as they previously excluded common areas in communities and hotels. 2. The capacity and energy generation of the Dubai Hills Mall Solar Plant have been incorporated for 2022, which was previously not reported. This has resulted in an update to the figure of GHG emissions abated through renewable sources. Therefore, renewable energy capacity, total energy replacement through renewable sources and GHG emissions abated figures have been restated for 2022.		
Activities and workers			
2-6 Activities, value chain and other business relationships	At a Glance Our Businesses	16-21, 24-33, 36	
2-7 Employees	Social	67, 74-76	
2-8 Workers who are not employees	Social	67-69	
Governance			
2-9 Governance structure and composition	Governance Corporate Governance Report	85-86, 94-95, 126-129, 135-137, 144	
2-11 Chair of the highest governance body	Governance	94-95	
2-12 Role of the highest governance body in overseeing the management of impacts	Governance	85-86	
2-13 Delegation of responsibility for managing impacts	Governance	85-86	
2-14 Role of the highest governance body in sustainability reporting	Stakeholder Engagement and Materiality Governance	40, 86	
2-15 Conflicts of interest	Governance	87	
2-16 Communication of critical concerns	Governance	86	
2-19 Remuneration policies	Corporate Governance Report	133-134	
2-20 Process to determine remuneration	Corporate Governance Report	136	

Disclosure	Location		
	Section	Page No.	UN SDGs
Strategy, policies and practices			
2-22 Statement on sustainable development strategy	Chairman's Message Managing Director's Statement	4-5, 10-13	
2-23 Policy commitments	Social Governance	68, 73, 74, 84, 87, 88	
2-24 Embedding policy commitments	Social Governance	68, 73, 74, 84, 87, 88	
2-25 Processes to remediate negative impacts	Social Governance	73, 74, 76	
2-26 Mechanisms for seeking advice and raising concerns	Governance	87-88	
Stakeholder engagement			
2-29 Approach to stakeholder engagement	Stakeholder Engagement and Materiality	38-39	
GRI 3: Material Topics 2021			
3-1 Process to determine material topics	Stakeholder Engagement and Materiality	40	
3-2 List of material topics	Stakeholder Engagement and Materiality	41	
GRI 201: Economic Performance 2016			
3-3 Management of material topics	Business Review Governance	24-33, 90	
201-1 Direct economic value generated and distributed	Governance	90	
GRI 204: Procurement Practices 2016			
3-3 Management of material topics	Governance	88	
204-1 Proportion of spending on local suppliers	Governance	89	
GRI 302: Energy 2016			
3-3 Management of material topics	Environment	48-53	
302-1 Energy consumption within the organisation	Environment	48	
302-4 Reduction of energy consumption	Environment	48	
GRI 303: Water and Effluents 2018			
3-3 Management of material topics	Environment	58-59	
303-1 Interactions with water as a shared resource	Environment	58-59	
303-5 Water consumption	Environment	58	
GRI 304: Biodiversity 2016			
3-3 Management of material topics	Environment	64-65	
304-3 Habitats protected or restored	Environment	65	

Disclosure	Location: Section	Location: Page No.	Location: UN SDGs
GRI 305: Emissions 2016			
3-3 Management of material topics	Environment	47-53	
305-2 Energy indirect (Scope 2) GHG emissions	Environment	48	
305-5 Reduction of GHG emissions	Environment	48	
GRI 306: Waste 2020			
3-3 Management of material topics	Environment	60-61	
306-1 Waste generation and significant waste-related impacts	Environment	60-61	
306-2 Management of significant waste-related impacts	Environment	60-61	
306-3 Waste generated	Environment	60-61	
GRI 308: Supplier Environmental Assessment 2016			
3-3 Management of material topics	Governance	88-89	
308-1 New suppliers that were screened using environmental criteria	Governance	89	
GRI 401: Employment 2016			
3-3 Management of material topics	Social	67-75	
401-1 New employee hires and employee turnover	Social	71	
401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	Social	72	
GRI 403: Occupational Health and Safety 2018			
3-3 Management of material topics	Social	68-70	
403-1 Occupational health and safety management system	Social	68-70	
403-2 Hazard identification, risk assessment, and incident investigation	Social	68-70	
403-3 Occupational health services		68-70	
403-4 Worker participation, consultation, and communication on occupational health and safety	Social	69-70	
403-5 Worker training on occupational health and safety	Social	70	
403-6 Promotion of worker health	Social	70	
403-9 Work-related injuries	Social	70	
GRI 404: Training and Education 2016			
3-3 Management of material topics	Social	73	
404-1 Average hours of training per year per employee	Social	73	
404-2 Programs for upgrading employee skills and transition assistance programs	Social	73	
404-3 Percentage of employees receiving regular performance and career development reviews	Social	73	

Disclosure	Location: Section	Location: Page No.	Location: UN SDGs
GRI 405: Diversity and Equal Opportunity 2016			
3-3 Management of material topics	Social	74	
405-1 Diversity of governance bodies and employees	Social Governance	74, 94-95	
GRI 406: Non-discrimination 2016			
3-3 Management of material topics	Social	74	
GRI 408: Child Labour 2016			
3-3 Management of material topics	Governance	87	
408-1 Operations and suppliers at significant risk for incidents of child labour	Governance	87	
GRI 409: Forced or Compulsory Labour 2016			
3-3 Management of material topics	Governance	87	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Governance	87	
GRI 413: Local Communities 2016			
3-3 Management of material topics	Social	78-81	
GRI 414: Supplier Social Assessment 2016			
3-3 Management of material topics	Governance	88-89	
414-1 New suppliers that were screened using social criteria	Governance	89	
GRI 418: Customer Privacy 2016			
3-3 Management of material topics	Governance	91	
Company-specific metrics			
LEED or equivalent certified properties	Environment	62	

Global Economic Review

The global economy has been showing signs of consistent recovery, and the predicted slowdown has been less severe than expected amidst strong labour markets, robust household consumption, better-than-expected adaptation to the energy crisis in Europe, and a gradual weakening of inflation. In fact, the economic resilience has been remarkable.

Despite the impact of the Russia-Ukraine conflict on energy and food markets and measures by central banks worldwide that led to the tightening of monetary policies and restricted credit flow to combat inflation, the global economic recovery faltered but did not stall altogether. However, the road ahead remains uncertain, given the challenges posed by the unabated Ukraine crisis, conflicts in the Middle East, and the persistence of core inflation.

> According to the International Monetary Fund (IMF), the world economy grew by 3.1% in 2023 and is expected to remain at this rate in 2024.

This is primarily attributed to the weak rebound in Advanced Economies (AEs), where weak manufacturing activity offset the strong recovery of the services sector. Growth is expected to be marginally lower at 1.5% in 2024. In contrast, Emerging Market and Developing Economies (EMDEs) are projected to see growth over 2024, with a slight pickup in 2025, although the recovery will be fragmented across regions.

The IMF predicts a steady deceleration of headline inflation – from 9.2% in 2022, on a year-on-year basis, to 6.8% in 2023 and 5.8% in 2024. Core inflation, excluding food and energy prices, is also projected to decline, albeit more gradually than headline inflation in 2024.

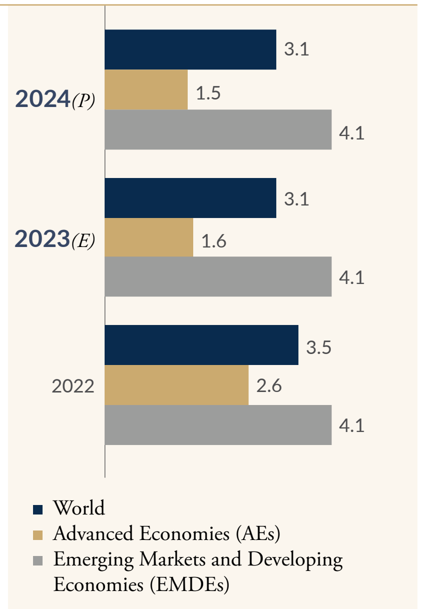
In the US, the likelihood of a 'soft landing' has increased, with the US Fed expected to cut interest rates in the second half of 2024 without triggering a recession. Such possibilities have become evident given the consistent decline in CPI inflation in the United States, together with predictions of a steady increase in US GDP and a strong labour market.

GDP growth: Global

(%)

Source:
World Economic Outlook, January update 2024, IMF

Note:
E: Estimated
P: Projected

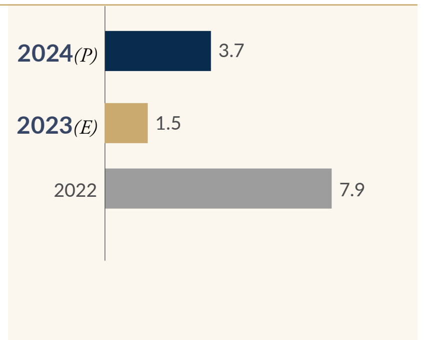


Real GDP growth: GCC

(%)

Source:
Quarterly Economic Review, Q3 2023, CBUAE

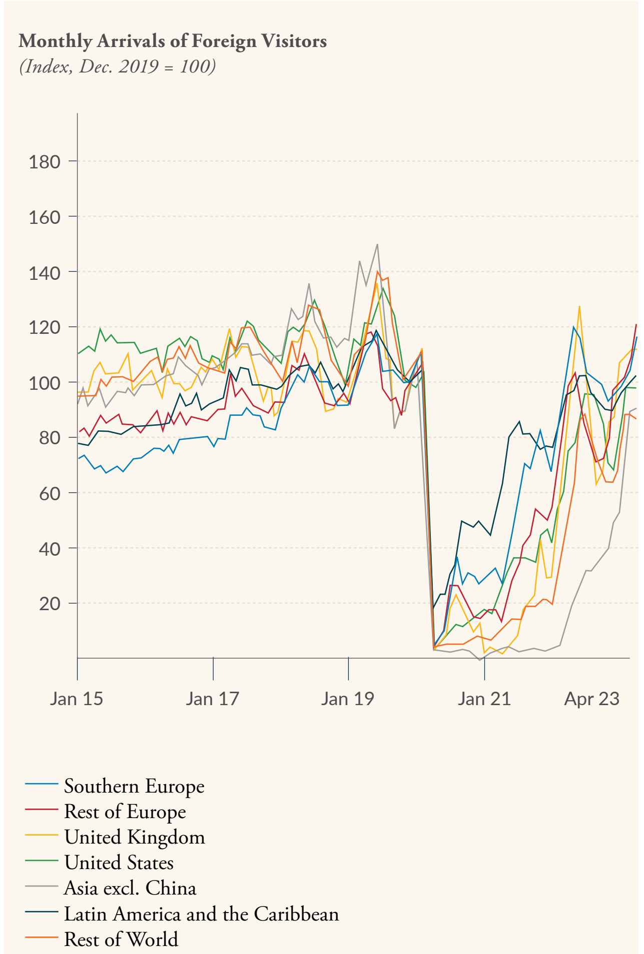
Note:
E: Estimated
P: Projected



However, significant divergences in economic recovery are becoming evident due to the uneven effects of tighter monetary policy across countries. Also, countries find themselves at varying stages in their rate-hike cycles. AEs (excluding Japan) are approaching the peak, whereas certain EMDEs, such as Brazil and Chile, have already initiated monetary easing measures. Furthermore, the interplay between inflation and activity is influenced by the lingering impact of last year's commodity price shock. Economies heavily reliant on Russian energy imports have witnessed a more significant surge in energy prices, leading to a more pronounced economic slowdown.

Tourism returning to normal

(US$)



Source:
World Economic Outlook, October update 2023, IMF

Oil (Brent) Price Movement, 2023

(US$)

Source:
https://markets.businessinsider.com/commodities/oil-price

Outlook

Several factors pose potential downside risks to the near-term outlook. Geopolitical tensions in the Middle East and monetary policy tightening have had an unexpected impact. Positive factors include increased spending by households, lower inflation, a strong labour market, and fast-growing Asian economies contributing to the global economic recovery.

United Arab Emirates (UAE) Economic Review

In 2023, the UAE continued to defy global trends, demonstrating a remarkable economic performance amid global challenges. This success can be attributed to its well-balanced policies that focus on economic diversification backed by market deregulation, support for foreign trade, infrastructure development, and encouragement of private sector participation. As a result, the non-oil sector has evolved into a cornerstone of the GDP, with significant state investments driving economic growth.

> The UAE economy grew by 3.1% in 2023, with much of the momentum coming from non-oil sectors such as real estate and tourism. Notably, Dubai's residential real estate market saw 118,993 transactions during the year, up 29.6% from a year earlier. Additionally, tourists arrivals in Dubai grew to 17.1 million in 2023, outperforming pre-pandemic levels of 16.7 million in 2019.

'We the UAE 2031' vision

As the second-largest economy within the Gulf Cooperation Council (GCC) region, the UAE has established ambitious goals to become an AED 3 trillion economy by 2031. The country is proactively addressing the challenges and opportunities by leveraging advanced technologies to strengthen its research capabilities and institutions, nurture emerging industries, and attract foreign direct investment.

As part of its 2031 vision, the UAE aims to*:

- Generate AED 800 billion in non-oil exports
- Raise tourism's contribution to the GDP to AED 450 billion
- Raise the value of the UAE's foreign trade to AED 4 trillion
- Rank the UAE as:
  - #1 globally in developing proactive legislations for new economic sectors
  - One of the top 10 countries globally in the 'Human Development Index'
  - One of the top 10 countries globally in the quality of healthcare
- Position of the Emirati cities among the top 10 globally in terms of quality of life
- Position of the UAE globally:
  - Among the top 10 countries in attracting global talent
  - As #1 in the 'Safety' index
  - As one of the top 10 countries in the 'Global Food Security Index'
  - As one of the top three countries in the 'Global Cybersecurity Index'

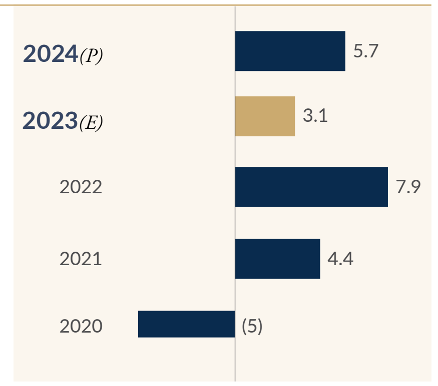
* Source: Click this link to view

The S&P Global's UAE Purchasing Managers' Index (PMI) reached a high of 57.4 in December 2023, the second highest reading since June 2019, driven by a rise in new orders, output, new sales pipelines, and strong domestic market conditions despite the slowing momentum of the external markets. Employment in the UAE has exhibited steady growth throughout 2023, surpassing pre-COVID levels. This trend was reinforced by the growing number of private companies operating in the economy. Additionally, initiatives from the Ministry of Human Resources & Emiratisation, such as allowing employers to offer temporary roles and allowing employees to work for two employers, have helped increase the labour participation rate.

Consumer Price Index (CPI) is estimated to have moderated to 2.9% in 2023, marking a decrease from the 4.8% recorded in 2022. This is attributable to several factors, including fuel subsidies and price caps on essential items and food. Notably, in 2023, the Central Bank of the UAE (CBUAE) implemented several base interest rate hikes, bringing it to 5.40%. This strategic move played a significant role in containing inflation.

UAE GDP Growth

(%)

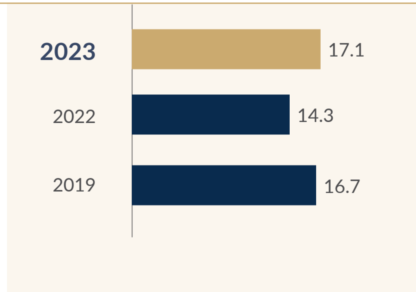


Source: Quarterly Economic Review, Q3 2023, CBUAE

Note: E: Estimated P: Projected

Total international visitors to Dubai

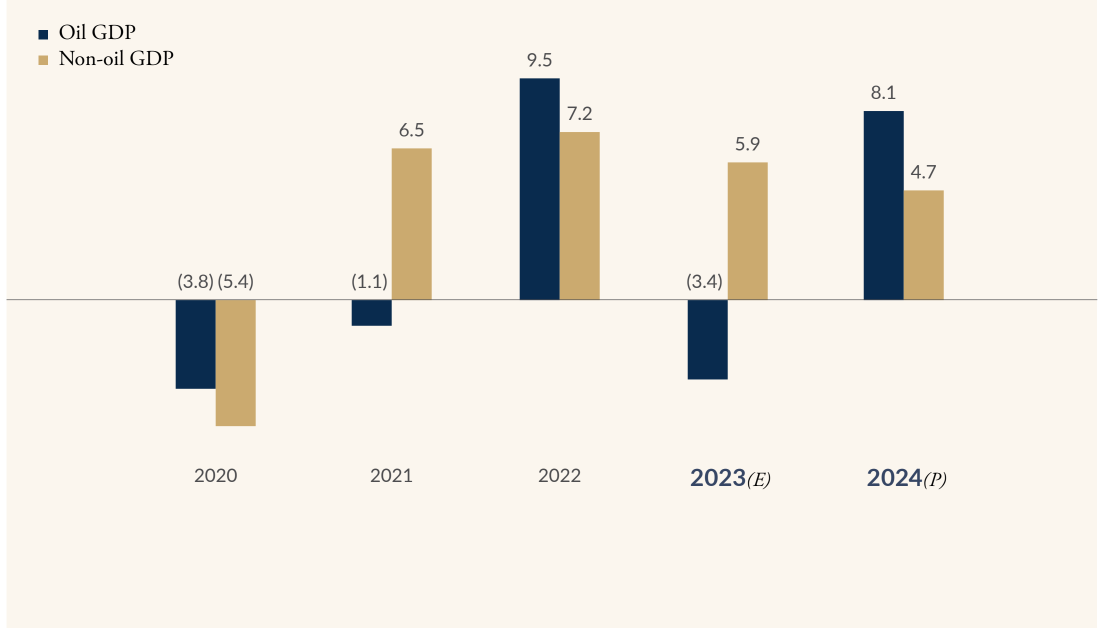
(Mn)



Source: Dubai's Department of Economy and Tourism

UAE, key economic indicators, y-o-y change

(%)

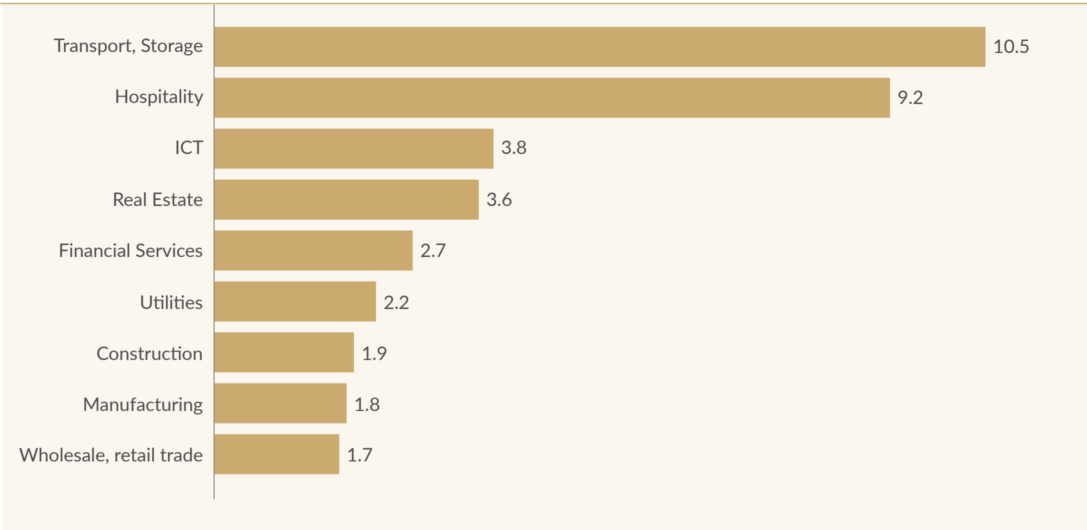


Source: Quarterly Economic Review, Q3 2023, CBUAE

Note: E: Estimated P: Projected

Dubai: key sector growth rates in 2023

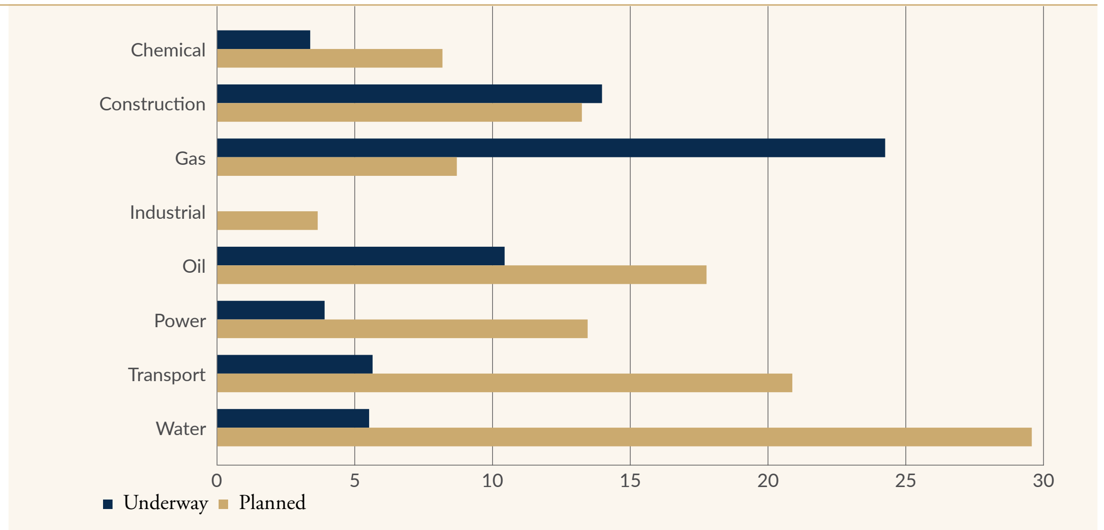
(%)



Source:
Haver Analytics, Emirates NBD Research

UAE infrastructure projects pipeline through 2030

(AED Bn)



Source:
MEED, Emirates NBD Research

Flagship Comprehensive Economic Partnership Agreements (CEPA) Programme

Enacted in May 2022, the UAE's CEPA programme made major headway in 2023, with the successful implementation of three deals, the signing of two additional agreements awaiting implementation, and an agreement on four more partnerships. This brings the total number of CEPA partners to 10 across four continents since the programme's launch. The programme has secured access to markets that encompass ~2 billion people and will deliver long-term benefits to the UAE economy. It is projected to increase the UAE's exports by 33% and contribute more than AED 153 billion to the UAE's GDP by 2031.

Outlook

The Central Bank of the UAE (CBUAE) forecasts GDP growth to be 5.7% on the back of an expected rise in oil production next year. Growth in the non-oil sectors will continue to support the economy's expansion trajectory. The CBUAE, in its latest report, has pointed to the significant expansions in financial services, insurance, construction, wholesale, and retail trade.

Continuing investments in infrastructure and diversification of the non-oil sector are expected to sustain economic growth over the medium and long term. The CBUAE is likely to continue with its measures to control inflation and is expected to go for rate cuts in the second half of 2024. Overall, the UAE's macroeconomic prospects are positive, and its status as a global hub is expected to trigger both domestic and foreign investments.

UAE Real Estate Sector

In 2023, the UAE's real estate sector achieved numerous milestones and surpassed several international benchmarks, solidifying the country's standing as a pre-eminent global hub for real estate and construction.

Throughout 2023, the real estate market witnessed an increase in transaction volumes in both Dubai and Abu Dhabi. This positive trend can be attributed to various government initiatives, such as the introduction of residency permits for retired and remote workers and the golden visa programme, coupled with overall economic growth in the region.

The 2040 Urban Master Plan was formulated to prepare Dubai for a population of 5.8 million, focusing on sustainability and connectivity. Key outcomes include*:

- Green and recreational spaces will double in size
- Nature reserves and rural natural areas will constitute 60% of the Emirate's total area
- Several green corridors will be established to link the service areas, residential areas, and workplaces
- Movement of pedestrians, bicycles, and sustainable mobility across the city will be facilitated
- Land area for hotels and tourist activities will increase by 134%, and for commercial activities, it will increase to 168 sq. km.
- Land area for education and health facilities will increase by 25%
- Length of public beaches will increase by 400%

* Source: Click this link to view

Residential Market

In 2023, Dubai's residential market experienced notable growth, driven by the substantial number of off-plan projects and recent launches in key urban areas, such as Dubai Hills Estate, Emaar Beach Front, and Expo City. According to CBRE, the year saw 118,993 transactions, surpassing the 2022 record figure by 29.6%. This is the highest figure ever recorded, with off-plan sales increasing by 31.9% and secondary market sales increasing by 26.3%.

According to CBRE, transaction volumes in Dubai's AED 5 Mn+ residential real estate market reached record levels in 2023. Sales of properties within the prime segment (5 Mn) and super-prime (10 Mn+) segment of the market reached 10,296 and 3,806, up 54.5% and 68.4% from a year earlier, respectively, in 2023.

According to JLL, in terms of supply, 36,000+ residential units were delivered in Dubai in 2023. At the end of the year, the total residential stock of Dubai was 719,000+ units, with 34,000 units scheduled for completion in 2024.

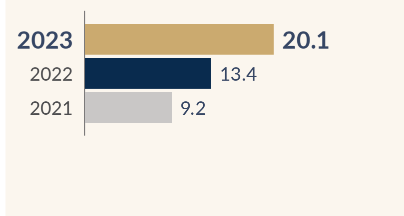
Luxury Living at a Competitive Price

The Dubai prime real estate market remains competitive by global standards, offering a relatively low cost of living, a relatively easy visa process, and an appealing warm climate that continues to attract both international and domestic buyers.

According to Knight Frank, US$ 1 million can fetch 17 sq. mtr. of prime property in Monaco, 33 sq. mtr. in New York, 34 sq. mtr. in Singapore and London, and 105 sq. mtr. in Dubai.

Average rise in residential prices

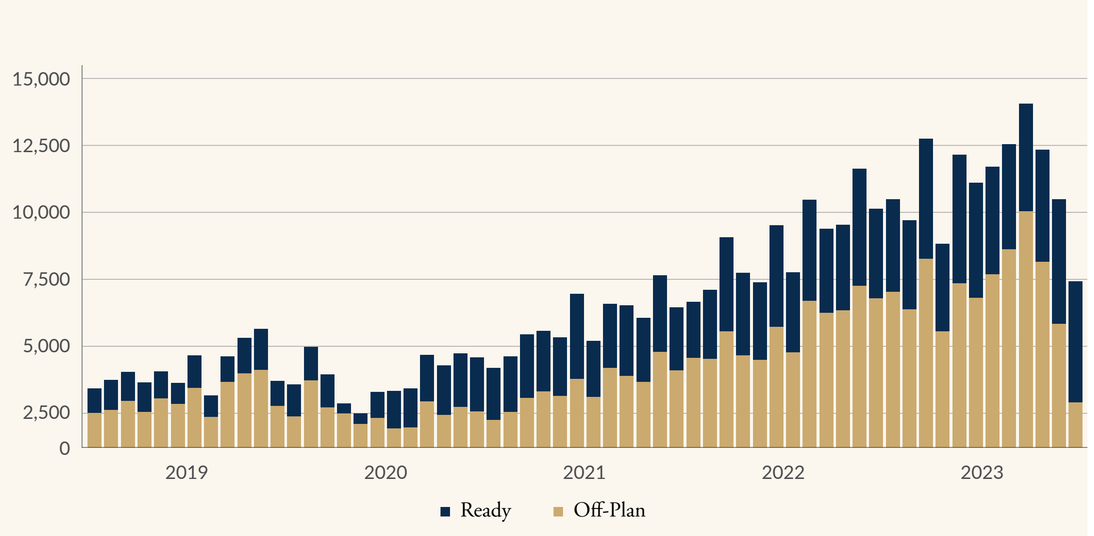
(%)



Source: CBRE and Knight Frank

Dubai residential transactions

(Numbers)

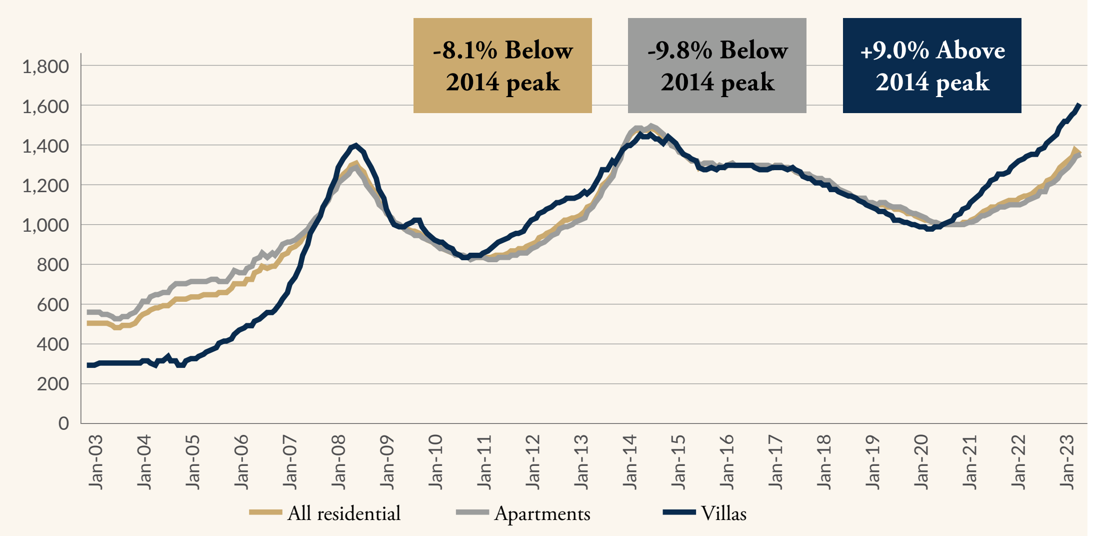


Source: CBRE research/ REIDINE

Note: Prime and super-prime areas are defined as follows: Downtown Dubai, Emirates Hills, Jumeirah Bay Island, Palm Jumeirah and District One. Prime properties refer to properties sold in these areas for more than AED 5 million, and super-prime properties are those sold for more than AED 10 million.

Average value of residential transactions (by property type)

(AED psf)



Source: Knight Frank, REIDIN

Dubai Residential Market Snapshot

20.1% YoY Increase in average prices	18.9% YoY Increase in average residential rents
19.8% YoY Increase in average apartment prices	21.8% YoY Increase in average villa prices
AED 1,399 Average apartment price per square foot*	AED 1,686 Average villa price per square foot*

* As at December 2023

Dubai: A City Redefining 'Live, Work, Play'

Work

Dubai's office market continues to buck global trends, with healthy growth in demand; the city continues to witness an influx of new companies establishing regional offices there.

0.92

Ease of doing business score (on a scale of 1)

Source: World Bank

Live

According to Knight Frank, Dubai has emerged as one of the world's most targeted luxury home markets for second home buyers. Additionally, the city is one of the world's best-connected cities, with a track record of exceptional public safety.

12.16 Min

Average travel time per 10 km

Source: TomTom

Play

Over the last 23 years, Dubai's residential market has continued to evolve exponentially, with micro-market drivers such as world-class schools, healthcare, and shopping malls to macroeconomic policy decisions, all together raising the city's global standing.

#2

Ranking of Dubai International Airport in the 2023 list of the world's busiest airports

Source: OAG

The robust supply of housing units from developers was insufficient to meet the demand in the market. As a result, sales prices rose by 20.1% and rental rates increased by 18.9% in 2023 compared to the previous year.

According to CBRE, as of December 2023, Dubai's average apartment prices reached AED 1,399 per sq. ft., and its average villa prices reached AED 1,686 per sq. ft., which were 19.8% and 21.8% higher than last year, respectively.

Outlook

According to CBRE, both the average prices and rents in Dubai's residential market are expected to remain strong in 2024, albeit with a tendency towards moderation. The market dynamic of the sector remains intact, with the city's world-class infrastructure, excellent connectivity and proactive government policies becoming attractive to investors beyond Europe, East Asia and the Americas, particularly within the luxury residential property category. Also, given that people from all over the world are looking at the possibility of relocating to Dubai, spurring both job and wealth creation, the real estate market is likely to remain stable and attractive. According to CBRE, compared to the highs witnessed in late 2014, these average apartment sales rates are still 5.9% below this peak, although several key and prime submarkets have long surpassed their 2014 benchmark.

Retail Market

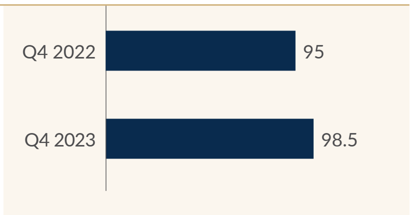
The UAE's retail market demonstrated a strong growth trajectory in 2023. Mall managers have been proactive in reimagining areas with limited footfall, repurposing them into vibrant service hubs that offer a range of amenities such as clinics, gyms, and co-working spaces.

According to CBRE, in Dubai, the total number of rental registrations reached 17,894, showing a marginal increase of 0.7% compared to the previous year. During this period, new registrations decreased by 7.7%, while renewed contracts saw a growth of 5.6%. In 2023, a total of 75,976 rental contracts were recorded in Dubai, marking a 2.5% increase from the previous year. While a large portion of demand continues to stem from the food and beverage (F&B) sector, we have seen demand rise from the luxury fashion, watches, and jewellery segments. Additionally, the retail market witnessed a growing demand for retail spaces from global and international retail brands.

The lack of availability of prime assets in the UAE continues to hamper potential activity, notwithstanding the elevated occupancy levels, as retailers continue to look for opportunities to expand. As a result, average rents rose by 17.6% and 10.6% in Dubai and Abu Dhabi, respectively.

Dubai, average regional and super-regional malls occupancy rate

(%)



Source: CBRE

Dubai Retail Market Snapshot

4.8 Mn sq m

Total stock in 2023

160,000 sq m

Expected deliveries in 2024

Outlook

The retail market in the UAE is anticipated to grow over the next few years, backed by rising demand from tourism and increasing household consumption.

In key locations, such as Dubai and Abu Dhabi, demand remains skewed towards quality assets, particularly within the core and primary locations. This, given the limited availability of such stock, remains one of the key drivers of rental growth in the region.

Hospitality Market

Strong visitation levels persisted in the UAE's hospitality segment in 2023. During the year, as per CBRE, globally, the average number of daily flights stood at 120,038, which is 4.4% above the pre-pandemic baseline.

Based on data shared by Dubai's Department of Economy and Tourism, there was a remarkable 19% increase in international overnight visitors in 2023, compared to 2022. Dubai hosted a total of 17.15 million international visitors, marking a 2.5% increase from the 2019 pre-pandemic figures.

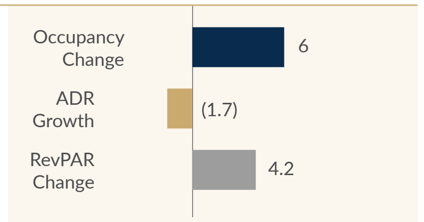
Dubai: Top Destination for NYE Celebrations

According to data provided by Dubai's General Directorate of Residency and Foreigners Affairs (GDRFA), from December 27, 2023, to January 1, 2024, over 1.2 million passengers visited Dubai for the New Year holiday season. The influx reached its peak on December 30th, when an astounding 224,380 passengers passed through Dubai in a single day, solidifying the city's reputation as a global hotspot.

According to CBRE, the UAE's average occupancy rate rose by 4.5 percentage points y-o-y in 2023. Additionally, the country's Average Daily Rate (ADR) and Revenue Per Available Room (RevPAR) average grew by 2.6% and 9% y-o-y. Notably, the average ADR across the UAE was 25.7% above the 2019 pandemic baseline. This growth has been underpinned by elevated ADR levels in key locations such as Dubai, Abu Dhabi, and Fujairah. Besides, several key events, such as the Abu Dhabi F1 Grand Prix and the COP28 conference hosted towards the end of the year, gave a boost to the performance of the industry and pushed up occupancy rates to record levels.

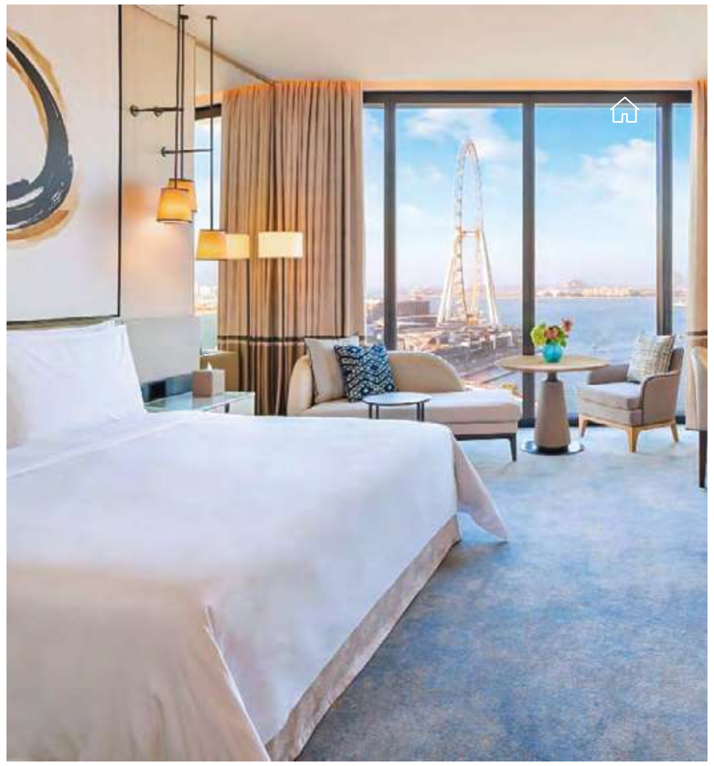
Dubai's hospitality industry – key performance indicators

YoY Change (%)



Source: STR

According to JLL, Dubai saw the completion of ~5,000 keys in 2023, bringing the total hotel stock to 153,000 keys, with most deliveries comprising four and five-star properties. Over the next year, 7,000 keys are scheduled to be added to the inventory in Dubai.



COP28 Surge Boosts the Hospitality Segment

The COP28 conference, which ran from 30 November to 12 December 2023, in Dubai brought more than 65,000 visitors to the UAE from around the world. This marked an 80% increase compared to COP27. In contrast, when the historic Paris Agreement was reached in 2015, ~26,000 people attended.

Dubai Hospitality Market Snapshot

153,000 Keys

Total stock in 2023

7,000 Keys

Expected deliveries in 2024

Outlook

The UAE continues to host one of the richest hospitality markets in the world, which is expected to grow in 2024. The optimistic outlook for the medium term received a further boost with the announcement of Dubai's Economic Agenda – D33. The agenda encompasses a new AED 25.6 trillion roadmap for the emirate to double its foreign trade and consolidate the city's status as one of the world's top three cities for travel and business by 2033 when Dubai will mark 200 years of its founding.

Egypt Economic Review

Against the backdrop of a series of external shocks, Egypt's economy has been witnessing a gradual slowdown.

> In the face of the twin challenges of a cost-of-living crisis and balance of payments adjustments, Egypt's economy grew by 4.2% in 2023, according to the IMF.

According to the Central Agency for Public Mobilization and Statistics (CAPMAS), the annual headline Inflation has surged since early 2022, reaching 35.2% by December 2023. This, coupled with significant currency depreciation, has driven Egypt's real interest rates to be among the lowest in emerging markets.

Additionally, the recent conflict in Gaza has negatively affected Egypt's exports of liquefied natural gas (LNG). Nevertheless, consumption has been sustained by a series of fiscal support packages.

Egypt's Push for Privatisation

As part of a US$ 3 billion, 46-month financial support package extended to Egypt by the International Monetary Fund (IMF) in October 2022, the government has undertaken initiatives to widen the role of the private sector in the economy and privatise some state-owned companies. The FDIs brought in by this push for privatisation are expected to more than offset the impact of falling demand and limited ability to cut imports.

Outlook

Egypt's economy is anticipated to grow at 4.1% in 2024, hindered primarily by structural limitations in non-resource sectors, elevated inflation, and constrained fiscal capacity.

However, the structural reform agenda, featuring a robust privatisation programme, has the potential to enhance investor confidence and stimulate private sector activity.

Egypt's Real Estate Sector

Egypt's real estate sector is being positioned as a key lynchpin for future economic growth, backed particularly by a slew of megaprojects such as the US$ 59 billion New Administrative Capital. The sector is already considered one of the country's three main economic pillars, alongside tourism and the hydrocarbon sector.

Residential Market

During 2023, Egypt's residential market continued to build on the momentum of the previous year. According to JLL, driven by heightened demand and inflationary pressures in the country, average sales prices increased by 56% and 63% on the 6th of October and New Cairo, respectively. Similarly, rental levels continued to accelerate at a fast pace, with annual increases of 25% on the 6th of October and 30% in New Cairo in 2023.

Despite the elevated price levels, the residential market in Egypt witnessed healthy demand, which can be attributed to increasing local demand that stemmed from the trend of investing in real estate to hedge against currency devaluation and soaring inflation.

Landmark Agreement between Egypt and UAE

Egypt has signed a deal with the UAE to develop a prime stretch of its Mediterranean coast that would bring US$ 35 billion in investments. The deal with ADQ, an Abu Dhabi-based investment and holding company, is for the development of the Ras El Hekma peninsula and is expected to attract as much as US$ 150 billion in investments.

The significant investment marks a pivotal step towards establishing Ras El-Hekma as a leading first-of-its-kind Mediterranean holiday destination, financial center, and free zone equipped with world-class infrastructure to strengthen Egypt's economic and tourism growth potential.

According to JLL, 23,000 units were completed, bringing up the total stock to 268,000 units at the end of 2023, and 33,000 units scheduled for completion in 2024.

In recent years, Egypt has become a key focus for Gulf Cooperation Council (GCC) investments. According to Knight Frank, Emiratis, alongside Qataris, already hold the highest number of homes among GCC investors, with 37% of investors from both countries owning at least two to three homes each. This demand has contributed to rising home values. However, developers are responding to the uptick, and 300,000 new homes in Greater Cairo are expected to be completed by 2028.

56%

YoY increase in average sale prices in 6th of October

63%

YoY increase in average rents in New Cairo

Office Market

The impact of the economic slowdown has had a noticeable impact on the office market in Egypt. According to JLL, in terms of demand, overall office activity moderated, and ~136,000 square metres of office gross leasable area (GLA) were delivered throughout 2023 in Cairo. This has increased the total office stock to ~2 million square metres. Furthermore, an additional 570,000 square metres of office floor space is expected to become available in the market in 2024. The majority of these upcoming completions will be concentrated within the New Administrative Capital (NAC), particularly in its Central Business District (CBD).

Retail Market

In 2023, there were minimal project launches and completions, resulting in the addition of ~83,000 square metres of Gross Leasable Area (GLA) to Cairo's retail market. This brought the total retail stock to ~2.98 million square metres. Looking ahead to 2024, there are plans for the completion of over 447,000 square metres of retail space.

The majority of these upcoming completions are expected to be located in New Cairo, primarily consisting of community malls, followed by mall expansions.

Overall, in terms of performance, the retail market in Cairo faced significant challenges due to various economic factors throughout 2023.

Outlook

In July 2023, Egypt's government approved a new law that allows foreigners to own residential properties in the country. Foreign investors, particularly from Gulf nations, are expected to explore new investment opportunities and acquire residential properties in Egypt for secondary residences or holiday retreats.

Cairo's office market is expected to see the completion of several grade-A projects in the next 2-3 years, addressing the current supply-demand gap for high-quality space. Egypt's real estate sector faces downside risks due to currency depreciation, rising inflation, and reduced consumer purchasing power.

India Economic Review

In 2023, the Indian economy achieved a milestone, becoming the fastest-growing major economy globally, thanks to its robust domestic fundamentals and an adept handling of inflationary pressures.

> Amidst a challenging global economic scenario, India's GDP is projected to grow by 7.3% in 2023-24, as per the first advance estimates released by the government.

The real estate sector is expected to benefit from the previous year's 7% GDP growth. Strong private consumption and investment contributed to 2023's sustained economic growth. Although urban consumption remains the primary driver of economic growth, rural demand increased significantly by the end of the year. The government's focus on infrastructure and logistics has led to a surge in private investment.

India Announces Record Government Capex

The Indian government has promised to increase spending on railways, airports, and other infrastructure to record levels in its final interim budget before parliamentary elections this year. The budget contained an increase of 11% to US$ 134 billion, which is expected to have a large multiplier impact on growth and investment.

Outlook

India's growth story remains fundamentally strong, propelled by strategic interventions from the government and a relatively lower reliance on foreign demand. Services sector sentiment is expected to be positive, driven, among others, by an upswing in hospitality and tourism, induced by a steady uptick in leisure and business travel and social events. Consumption demand is also expected to be sustained. According to the IMF, the Indian economy is expected to grow by 6.3% in 2024.

India's Real Estate Sector

In 2023, India's real estate market experienced an unprecedented surge in demand, exceeding all expectations and establishing new records. Investments in the Indian real estate sector rose to US$ 5.1 billion, with land acquisitions contributing a remarkable 40% of this surge.

Domestic developers spearheaded the market, securing 42% of the total investments, while international investment funds exercised a measured approach. Along with residential demand, there is support expected from the government with a higher capex expenditure outlay for 2024-25, signalling a significant housing push.

18%

Real estate sector contribution to total employment in India

Residential Market

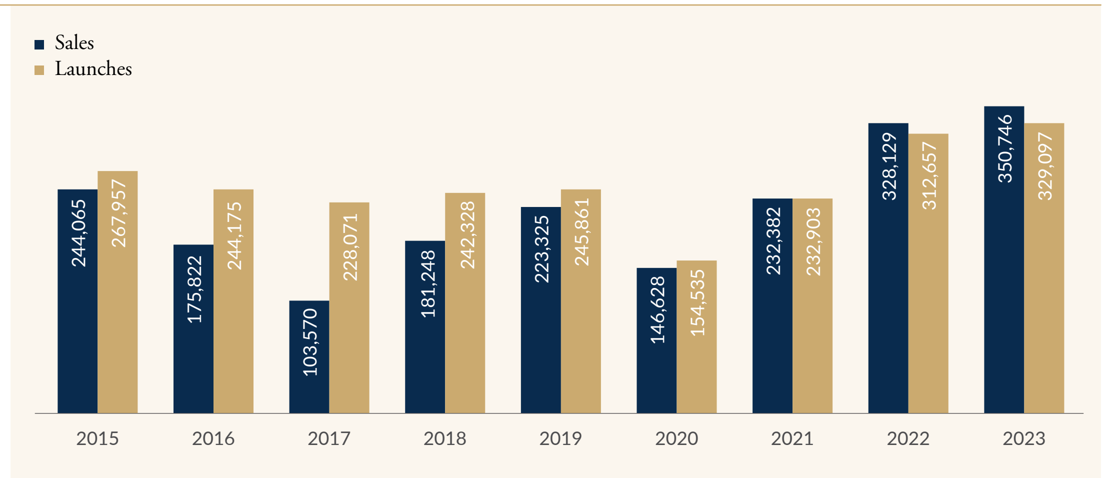
In 2023, the residential market in India demonstrated remarkable resilience, achieving a 10-year peak in sales volumes. Notably, the luxury housing sector surpassed expectations, capturing the interest of both end users and buyers. Among the various micro-markets, the Dwarka Expressway in Gurugram emerged as the standout choice, particularly in the residential segment.

The share of annual sales within the price segment below ₹ 5 million has declined from 45% in 2020 to 30% in 2023. In contrast, over the same period, the share of sales in the ₹ 5-10 million and >₹ 10 million price categories increased from 35% to 37% and 20% to 34%, respectively. Furthermore, the year witnessed robust price growth, ranging between 4% and 11% across all major markets.

Launches and sales trend

(Number)

Source:
Knight Frank



A Glimpse into India @100

As India approaches its centenary of independence in 2047, the size of India's economy is estimated to range between US$ 33 trillion and US$ 40 trillion. The catalysts driving this growth encompass demographic advantages, a buoyant atmosphere for business and investments, government policies emphasising high-value manufacturing, and substantial advancements in the infrastructure sector, among other factors.

	2022	2033 (E)	2047 (P)
Size of the Economy ($ Tn)	3.4	**7.2**	36.4
Real Estate Output ($ Bn)	477	**1,023**	5,833

Source: Knight Frank

E: Estimated

P: Projected

Outlook

India's real estate market is expected to further consolidate, with residential developments gradually transitioning into the hands of resilient developers who have weathered the economic challenges posed by the pandemic. Although there is a consistent preference among homebuyers for ready inventory, established developers with a strong execution track record are increasingly finding a market for their projects. With government infrastructure outlay to increase in 2024 by 11% from the preceding year, it signals a positive approach towards the real estate market. The sustained growth of the Indian economy is expected to uphold homebuyer sentiment in 2024, indicating a positive trajectory for the residential market.

Company Review

Emaar Properties PJSC is one of the world's most valuable and admired real estate development companies. Apart from a strong geographic presence in the Middle East, Asia, and North Africa, we have an extensive land bank totalling ~1.7 billion square feet in the UAE and key international markets.

> With a proven execution record, we have delivered ~112,000 units in Dubai and other international markets since 2002. Our portfolio includes robust recurring revenue-generating assets, encompassing ~13 million square feet of leasing revenue-generating assets and a portfolio of 34 hotels and resorts with over 8,700 keys (including owned as well as managed hotels).

At the end of 2023, 34% of our revenue and 48% of our EBITDA was contributed by our revenue-generating portfolio that encompasses malls, hospitality, leisure, entertainment, and commercial leasing. This diversified approach ensures a resilient and thriving business model that continues to contribute to our success.

Building upon the legacy of our flagship creations in Dubai—the iconic Burj Khalifa, Dubai Mall, and Dubai Fountain—our dream is to be the world's most valuable and trusted company, to enrich lives, and to be powered by the best people.

Global Rankings in Listed Real Estate Space

#1
Best amongst the top 50 real estate developers in MENA*

#1
In net profit in emerging markets including China#

#1
In total assets in Middle East (13th globally)@

Proven Execution Track Record

~150,000
Units sold since 2002

~112,000
Units delivered since 2002

~1.7 Bn sq. ft.^
Land bank in key countries

Strong Revenue Visibility

AED 71.8 Bn (US$ 19.5 Bn)
Robust revenue backlog from property sales

34%
Recurring revenues

34
Hotels with 8,700+ keys>

* Source: Forbes in 2021.
\# Source: MSCI, datastream, & Reuters, as on 31 December 2023.
@ Source: SWF ranking.
^ Including 1.1 Bn sq. ft. in Emaar, The Economic City in Saudi Arabia.
> Excludes hotel keys whose management agreement got terminated as at December 2023.

Financial Review

Financial Summary of 2023 Consolidated Results

AED Mn	2023	2022	% YoY Change
Revenue	26,750	24,926	7%
Gross profit	16,866	12,587	34%
Gross profit margin (%)	63%	50%	-
EBITDA	17,288	10,382	67%
EBITDA Margin (%)	65%	42%	-
Net profit*	11,629	6,832	70%
Net profit* margin (%)	43%	27%	-
Earnings Per Share (EPS) (AED)	1.32	0.83	59%

* Attributable to Owners

Important Consolidated KPIs for 2023

AED 40.3 Bn (US$ 11 Bn)
Overall property sales (Including sales related to non-consolidated JVs)

AED 2.9 Bn (US$ 0.8 Bn)
International property sales

190 Mn
Footfall across Malls managed by Emaar (Up 20.2% from 158 Mn in 2022)

34%
Recurring revenues

48%
Recurring EBITDA

Net Asset Value (NAV)

AED 177.5 Bn (US$ 48.3 Bn)
Fair value

AED 77.7 Bn (US$ 21.1 Bn)
Book value

AED 20.08
Per share

AED 8.79
Per share

Consolidated Financial Performance Review

Revenue

We recorded revenues of AED 26.7 billion (US$ 7.3 billion) in 2023, achieving a growth of 7% compared to the same period last year. This performance was driven by a rise in real estate demand, higher retail sales, and tourism growth.

Additionally, we witnessed robust property sales of AED 40.3 billion (US$ 11 billion), up by 15% compared to the previous year. Enhanced by incremental property sales, our revenue backlog from property sales reached AED 71.8 billion (US$ 19.5 billion), indicating a positive outlook for revenue recognition in the forthcoming years.

Gross Profit

We achieved a remarkable y-o-y rise of 34% in gross profit, which stood at AED 16.9 billion (US$ 4.6 billion) in 2023. The gross profit margin increased to 63%. Excluding one-off items of AED 2.2 billion, gross profit would be AED 14.7 billion (US$ 4 billion), registering a y-o-y growth of ~17% with gross profit margin of 55%. This result was driven by our operational excellence and sustained growth across our diverse portfolio of assets.

EBITDA

The y-o-y increase of 67% (excluding one-off items of AED 4.0 billion, y-o-y growth would be 28%) in our EBITDA was the result of a significant margin growth and a judicious control of expenses. This increase in EBITDA is further supported by a higher other income and share of profit from associate entities.

Net Profit*

We achieved a net profit of AED 11.6 billion (US$ 3.2 billion) for 2023, compared to AED 6.8 billion (US$ 1.9 billion) for 2022, registering a y-o-y growth of 70%. Excluding one-off items of AED 1.7 billion, we achieved net profit of AED 9.9 billion (US$ 2.7 billion), registering a y-o-y growth of ~45% compared to 2022.

Debt

Emaar has a debt of AED 12.3 billion and cash and bank balance of AED 33.8 billion as of December 2023.

Divisional Financial Performance

UAE Development

Property Sales and Revenue

Emaar Properties recorded a total revenue of AED 14.4 billion (US$ 3.9 billion) from its property development business in UAE (including Dubai Creek Harbour owned by Emaar Properties). This was driven by superior project execution on the ground. It recorded property sales of AED 37.4 billion (US$ 10.2 billion) in 2023, reflecting a growth of over 21% compared to the previous year. This was driven by the successful launch of 27 new projects in the UAE across all master plans. The revenue backlog from property sales in the UAE increased to AED 62.1 billion (US$ 16.9 billion) as of 31 December 2023, representing a y-o-y growth of around 50%, indicating a positive outlook for revenue recognition in the forthcoming years.

Net Profit*

Net profit attributable to owners from our UAE development business increased by 156% in 2023 to reach around 6.4 billion (US$ 1.7 billion) compared to a Net profit attributable to owners of AED 2.5 billion (US$ 0.7 billion) in 2022. This was led by higher margins, savings in finance costs, and higher interest income.

Important KPIs

21%
YoY increase in property sales (including sales related to non-consolidated JVs)

156%
YoY growth in net profit

12,000+
Units delivered in 2023

* Attributable to Owners

Emaar International

Property Sales and Revenue

Emaar's international real estate operations recorded property sales of AED 2.9 billion (US$ 0.8 billion) for 2023 and recognised revenue of AED 3.1 billion (US$ 0.9 billion) in 2023, representing 12% of our total revenue.

Property revenue backlog of Emaar's international real estate operations reached AED 9.7 billion, that will be recognised as revenue in coming years. The performance of international operations in 2023 was primarily driven by Egypt and India. Emaar's India operation saw an increase of 4X in property sales compared to last year driven by new launches.

Gross Profit

The International Operations' gross profit for 2023 stood at AED 163 million (US$ 44.4 million).

Net Profit*

At the end of the year, net loss for 2023 stood at AED 1.6 billion (US$ 0.4 billion), excluding turkey impairment, net loss is around AED 380 million (US$ 103 million).

Important KPIs for International Operations

AED 2.9 Bn
(US$ 0.8 Bn)
Property sales for International Operations

12%
Contribution to total revenue

Emaar Malls

Revenue

Emaar Malls Management LLC (Emaar Malls), the wholly owned shopping malls and retail arm of Emaar managing GLA* of 9.7 million sq. ft., achieved revenue of AED 4.9 billion (US$ 1.3 billion) in 2023. This performance is attributed to robust growth in tenant sales, which saw an increase of around 21% compared to 2022. Our mall assets achieved an average occupancy of 97% as of 31 December 2023.

Gross Profit

Emaar Mall's gross profit increased to AED 4.5 billion (US$ 1.2 million) in 2023 from AED 3.8 billion (US$ 1 billion) in 2022.

EBITDA

Emaar Mall's 2023 EBITDA stood at AED 4.3 billion (US$ 1.2 billion), which was 42% higher than in 2022 due to higher gross profit, excluding AED 700 million (US$ 191 million) gain on sale of Namshi in Q1 2023.

Net Profit*

Net profit increased by 74% in 2023 to AED 4.4 billion (US$ 1.2 billion), as compared to a net profit of AED 2.5 billion (US$ 0.68 billion) in 2022.

Important KPIs for Emaar Malls

9.7 Mn sq. ft.
Malls and retail centres (Including JV)

190 Mn
Footfall in 2023 (Including JV)

Emaar Hospitality, Leisure, Commercial Leasing, and Entertainment

Revenue

The hospitality, leisure, commercial leasing, and entertainment businesses of Emaar recorded a revenue of AED 4.3 billion (AED ~1.8 billion in Hospitality) in 2023, a growth of 22% compared to last year. Emaar's hotels in the UAE, achieved strong ADRs, with average occupancy levels of 72% in 2023.

Gross Profit

The increase in the gross profit of these businesses was led by the increase in revenue, as well as an increase in margins from significant savings achieved in operating expenses resulting in gross profit reaching AED 2.8 billion (AED 1 billion in hospitality) in 2023, a growth of 21% compared to 2022.

Emaar's recurring revenue-generating businesses of malls, hospitality, leisure, entertainment, commercial leasing and others together achieved revenue of AED 9.2 billion (US$ 2.5 billion) in 2023, recording a growth of 26% compared to 2022. These businesses represent over 34% of Emaar's total revenue and 48% of Emaar's total EBITDA.

* Including JV

Summary of the Financial Position as at the end of 2023

AED Mn

	2023	2022
Total assets	**139,397**	132,364
Total equity including minority interest	**86,831**	75,426
Cash	**33,854**	18,289
Debt	**12,271**	14,498
Net Cash	**21,583**	3,791

Consolidated Cash Flows Movements as at the end of 2023

AED Mn

	2023	2022
Net cash flows from operating activities	**19,831**	18,942
Net cash flows used in investing activities	**(5,309)**	(2,532)
Net cash flows used in financing activities	**(6,185)**	(5,970)
Cash and Cash equivalents at the beginning of the year	**17,545**	7,464
Cash and cash equivalents at the end of the year	**25,625**	17,545

In 2023, we bolstered our financial position, showcasing robust performance. Our extensive business scale, asset quality, steady rental income, and favourable debt-to-equity ratio enable us to access diverse debt providers for attractive financing. This accessibility to equity and debt markets allows us to seize opportunities promptly.

We diligently manage our debt through ongoing reviews of borrowing levels, facilities, maturities, and interest rate exposure, conducting sensitivity analyses for proposed transactions and market fluctuations. Alongside drawn debt, we prioritise maintaining ample liquidity with undrawn, committed, unsecured revolving bank facilities. These facilities enhance financial liquidity, minimise cash holdings, and reduce costs related to interest rate differentials, ensuring readiness to support business needs and capitalise on new opportunities. As of December 2023, our undrawn Recurring Credit Facilities (RCF) in UAE stood at AED 12.8 billion (US$ 3.5 billion).

Outlook

Today, across the world, business development models are being reshaped, and economic and innovation cycles are shrinking. Companies that do not respond to these changes risk being exposed to irrevocable risks that affect their long-term prospects.

We see the transformation around us as promising opportunities to create a new Emaar. We are drawing on the potential offered by Dubai as one of the world's leading business, leisure, and fashion hubs, and acting on opportunities in rapidly growing international markets. We are implementing our strategy to make our high-growth businesses independent profit centres and will continue to build spaces that are more connected, smart, and sustainable.

UAE Development

The demand for residential property in Dubai remains strong, as evidenced by our robust revenue backlog of AED 62.1 billion. We find ourselves uniquely positioned to make significant progress. Our strategic initiatives to scale the business and improve returns lay a solid foundation for future success.

Emaar International

Our international expansion targets strong markets, notably in Egypt and India, aiming for resilience against market fluctuations. By strategically focusing on key markets, diversifying our portfolio, and enhancing brand reputation, we are positioning ourselves for sustained growth and value creation.

Emaar Malls

Emaar Malls witnessed a significant surge in visitor numbers, particularly at Dubai Mall, surpassing pre-COVID levels. We strive to enhance our visitors' and retailers' experience, and expanding our geographic footprint leveraging Emaar's growing communities through differentiated retail offerings carefully curated to meet customers' needs.

Emaar Hospitality, Leisure & Entertainment

Emaar Hospitality foresees a promising 2024, anticipating more than 3% RevPar growth (like for like) fuelled by a balanced rise in ADR and Occupancy. With an expansion strategy, including additional room keys and a volume-driven approach, the portfolio is set to thrive. Over the next four years, a 4% annual increase in occupancy and a 2% growth in RevPAR is expected.

CORPORATE GOVERNANCE

IN THIS SECTION

CORPORATE GOVERNANCE REPORT

This report is issued annually by Emaar Properties PJSC (the **"Company"**) pursuant to the provisions of Article 77 of Resolution No. (3/R.M.) of 2020 issued by the Chairman of the Board of Directors of the Securities and Commodities Authority concerning the Approval of Public Joint Stock Companies Governance Guide (**"Governance Guide"**).

1 A clarification of the procedures adopted by the Company to satisfy the requirements of the Governance Guide in 2023, and how they were implemented:

Regarding the procedures adopted by the Company to satisfy the requirements of the Governance Guide in 2023, we would like to confirm that the corporate governance framework adopted by the Company in 2023 complied with all main requirements and provisions of the Governance Guide.

As for the Company's approach in applying the provisions of the Governance Guide, the Company implemented the various policies adopted by the board of directors of the Company (**"Board of Directors"** or **"Board"**) in relation to governance, taking into account the interests of the Company, the shareholders and all other stakeholders, as follows:

A. Board of Directors:

The composition of the Board of Directors and its terms of reference comply with the requirements of the Commercial Companies Law, the Governance Guide and the articles of association of the Company (**"AOA"**), as well as with other relevant laws and resolutions. Best practices and standards related to the functioning of the Board are also applied to the extent possible to increase its effectiveness.

The Company adheres to the terms of reference set out by the Board of Directors in relation to its composition, operating procedures and responsibilities as follows:

1. The Board of Directors has generally complied with the main requirements of its terms of reference with regard to various matters including, but not limited to, the number of Board members and the balance required among its members according to the specified standards, the terms of membership and the responsibilities of the chairman of the Board (**"Chairman"**), and the number of meetings to be held, the quorum required for meetings, and the majority needed to make decisions, the conditions for decision-making and the technical skills required for membership of the Board.
2. The independent Board members confirmed their independent status during the year 2023 and the Company verified that the legal requirements regarding the minimum number of independent Board members are satisfied.
3. The Board of Directors recommended the payment of an annual bonus to directors for the year 2023 as outlined in section c.2 of this report, subject to approval by the Company's Annual General Meeting in accordance with the relevant laws, regulations and the AOA.
4. The Board acknowledged the responsibilities, duties, powers and other requirements necessary for its functioning through the terms of reference of the Board of Directors.
5. The duties and responsibilities of the Chairman of the Board of Directors include the duties enumerated in the Governance Guide and have been specified in the terms of reference of the Board of Directors.
6. The terms of reference of the Board of Directors outline the duties of the Company's management toward the Board of Directors. These duties include, but are not limited to, organising an induction program for new Board members and providing the Board with regular information to enable the Board to carry out its duties efficiently in accordance with the relevant laws, regulations and the Company's policies.
7. Some of the powers of the Board of Directors are delegated by way of a clearly defined authority matrix approved by the Board. This authority matrix is periodically reviewed and communicated to the relevant members of the management to comply with it.
8. Board members are subject to special disclosure obligations, including, but not limited to, disclosure of any positions they hold in other joint stock companies, any change to their independent status, dealings in Company's securities and any changes to the information they are required to submit annually as soon as such changes occur. Moreover, a Board member is required to provide full disclosures in respect of any matter being reviewed by the Board or any of its committees in which he has a conflict of interests.

B. Committees of the Board of Directors:

The Board of Directors established five committees, as follows:

(1) Audit Committee

(2) Nomination and Remuneration Committee

(3) Investment Committee

(4) Risk Committee

(5) Committee for monitoring Insiders Trading

Other committees may be established as may be decided by the Board. Each Board committee acts in accordance with its own terms of reference.

All terms of reference of the committees are approved either by the Board of Directors or by the committee concerned and these terms of reference are all consistent with the requirements of the Governance Guide. The terms of reference of the Board committees include, but are not limited to, the role of the committee, the requirements for its constitution, the duration of its membership, the duties and powers of its members and its operating procedures.

The requirements relating to independent and non-executive members in the composition of the Audit Committee and the Nomination and Remuneration Committee as provided in the terms of reference of these committees have been complied with.

C. Internal Control

The Board of Directors has established an internal control system in the form of an internal control policy to assess risk management methods and procedures, ensure adherence to the Governance Guide, comply with relevant laws, regulations, and internal policies, and review financial information used in the preparation of the Company's financial statements. The Board of Directors acknowledges its responsibility for the Company's internal control system, for reviewing its methods of operation and confirms the effectiveness of the internal control system. The Audit Committee supports the Board of Directors in overseeing the application of the internal control system. The Internal Audit Department under the supervision of the Audit Committee follows a systematic and disciplined approach to assess and improve the effectiveness of the internal control system.

The internal control policy requires that the Board of Directors periodically reviews the Company's internal control system.

D. External Audit

The external auditor is selected in accordance with the requirements of the Governance Guide, the AOA and the applicable laws and regulations.

Once the general meeting approves the appointment of auditors, the Audit Committee informs the external auditors of the conditions and restrictions related to their tasks, considering the requirements of the Governance Guide.

E. Code of Professional Conduct

The Company adopted a code of professional conduct outlining the ethical standards of the Company, its duties toward different stakeholders, its due diligence obligations and its commitment towards compliance with all relevant laws and regulations.

Members of the Board of Directors, employees and internal auditors abide by these rules in the performance of their duties.

F. Policy for dealing in securities issued by the Company

The Board of Directors established a policy governing all dealings in securities issued by the Company by Board members and employees to ensure compliance with applicable laws and regulations.

This policy requires Board members and employees to comply with the restrictions on dealing in securities, outlines the disclosure requirements related to permitted transactions and clarifies the prohibited acts in accordance with the provisions of such policy.

G. Policy Outlining Shareholders' Rights

The Board of Directors established a policy clarifying the shareholders' rights including those certain rights provided by applicable laws and regulations and the rights stated in the AOA.

The purpose of this policy is to enable and encourage the shareholders to exercise their rights effectively.

H. Disclosure Committee

A Disclosure Committee has been established by the Company comprising senior members of the management team. The objectives of the Disclosure Committee are to develop systems to ensure compliance with applicable laws and regulations related to disclosure, upholding the Company's image, providing transparency to the Company's current and future shareholders and other stakeholders and preventing exploitation of the stock market.

2 A statement of ownership and transactions of the members of the Board of Directors and their spouses and children in the Company's securities during 2023:

Name of Board Member	Relationship	Shares Owned as of 31 December 2023	Net Amount of Transaction (Excluding VAT and any other fees)
Mr. Mohamed Ali Alabbar	Himself	2,700,500 shares	None
	Relatives*	324,310	None
Mr. Jamal Bin Theniyah	Himself	39,088 shares	None
Mr. Jassim Al Ali	Himself	1,000 shares	None

* "Relatives" include spouse and children.

Other than the above, there are neither ownership nor transactions for the Board members or their Relatives in the Company's securities during 2023.

3 Composition of the Board of Directors:

a. The Board of Directors of the Company consists currently of nine (9) members as follows:

Name/Designation	Category (Executive/ Non-Executive, Independent/ Non-Independent)	Memberships and Positions in Other Joint Stock Companies (in UAE) and Government Entities	Date and Term of Appointment
Mr. Jamal Bin Theniyah Chairman	Non-Executive, Non-Independent	1. Emaar Development PJSC – Board Member	*Date of Appointment: 23 April 2012 Duration of his term as a board member: 12 years*
Mr. Ahmed Jawa Vice-Chairman	Non-Executive, Non-Independent	1. Emaar Development PJSC – Board member	*Date of Appointment: 8 March 2006 Duration of his term as a board member: 18 years*
Mr. Mohamed Ali Alabbar Managing Director	Executive, Non-Independent	1. Emaar Development PJSC – Executive Board Member	*Date of Appointment: 30 December 1997 Duration of his term as a board member: 26 years*
Mr. Ahmad Al Matrooshi Executive Board Member	Executive, Non-Independent		*Date of Appointment: 1 December 2005 Duration of his term as a board member: 18 years*
Mr. Jassim Al Ali Board Member	Non-Executive, Independent	1. Jebel Ali Cement Factory (P.S.C.) – Board member 2. Emirates NBD Group – Board member	*Date of Appointment: 22 April 2018 Duration of his term as a board member: 6 years*
H.E. Eng. Sultan Al Mansoori Board Member	Non-Executive, Independent	1. Commercial Bank of Dubai – Vice Chairman 2. Investment Corporation of Dubai (ICD) – Board Member 3. DP World – Board Member 4. Emirati Human Resources Development Council – Chairman 5. Postal Sector Regulatory Committee – Chairman	*Date of Appointment: 11 April 2021 Duration of his term as a board member: 2 years and 9 months*
H.E. Helal Almarri Board Member	Non-Executive, Independent	1. Dubai's Department of Economy and Tourism – Director General 2. Dubai World Trade Centre Authority (DWTCA) – Director General 3. Dubai Expo 2020 Organizing Committee – Committee member 4. Dubai Chamber of Commerce and Industry – Board member 5. Taaleem Education – Board member 6. Investment Corporation of Dubai (ICD) – Board member 7. Dubai Financial Market PJSC – Chairman	*Date of Appointment: 11 April 2021 Duration of his term as a board member: 2 years and 9 months*
Mr. Buti Almulla Board Member	Non-Executive, Independent	1. Emirates NBD PJSC – Board member 2. Dubai Insurance Company PJSC – Chairman 3. Emirates Islamic Bank P.J.S.C. – Vice-Chairman 4. Dubai Refreshment Company PJSC – Board member	*Date of Appointment: 11 April 2021 Duration of his term as a board member: 2 years and 9 months*
Ms. Eman Abdulrazzaq Board Member	Non-Executive, Independent	1. Emirates NBD Group - Group Chief Human Resource Officer 2. Dubai Refreshment Company PJSC – Board member	*Date of Appointment: 11 April 2021 Duration of her term as a board member: 2 years and 9 months*

Experience and Qualifications of Board of Directors:

The Members of Board of Directors have the below experience and qualifications:

Mr. Jamal Bin Theniyah, Chairman:

Mr. Jamal Bin Theniyah, born in 1958, holds a bachelor's degree in public management.

Mr. Bin Theniyah joined Port Rashid in October 1981 and have progressed through the management up until May 1991 when Dubai Government merged port Rashid with Jebel Ali port under Dubai Ports Authority (DPA) and he has been appointed as Assistant Managing Director.

In the year 1999, one of the first initiatives of Mr. Theniyah along with DPA chairman in the international port operation market encompassing, Beirut, Djibouti and Jeddah led to the creation of Dubai Ports International (DPI).

In 2001 he has been appointed as a Managing Director to master plan the development of Jebel Ali as one of the biggest terminals in the world increasing its capacity from 20 million TEUs at that time to 50 million TEUs.

In 2004, Mr. Bin Theniyah played a major role in the acquisition of Sealand world terminals to give DPI a real international footprint.

Mr. Jamal Majed Bin Theniyah is the Co-Founder of DP World, the 4th largest port operator in the world with a capacity of 100 million TEUs as in the year 2006, DPI concluded the acquisition of P&O Ports to become the 3rd largest port operator in the world and DPW was created to become a real international port operator company worth USD 22 billion.

In 2006, Mr. Bin Theniyah has been appointed a Vice Chairman and GCEO of Ports & Freezone World, which include DP World, Freezone world and P&O Ferries until his retirement in January 2017.

In 2008, following the global crisis, Mr. Bin Theniyah led the restructuring of Dubai World, a conglomerate in the real estate (Nakheel), private equity (Istithmar) and Dry Dock World.

Since 2012, Mr. Bin Theniyah has been an independent member on the Board of Directors of Emaar Properties PJSC. Currently, he is a non-independent Board member in Emaar Properties PJSC in compliance with Article (19) of SCA Regulation 3RM of 2020 which provides that a Board member loses his independence if he is appointed for a fourth consecutive term. Mr. Bin Theniyah serves as a Board Member in different entities including Emaar Development PJSC.

In September 2017, Mr. Bin Theniyah was elected as a non-executive board member of Emaar, The Economic City PJSC.

Mr. Bin Theniyah is a common speaker in the international ports and maritime conferences and is amongst few who won the following 3 international prestigious awards:

In 2006, he won Lloyds list personality of the year,

In 2007, he won the personality of the year by Seatrade,

In 2010, he won the highest lifetime award by Seatrade "the lifetime achievement award".

Mr. Bin Theniyah is known and well respected by the major international ports operators and shipping lines and has the knowledge of developing large scale port operation and logistic zone including the business knowledge process in the shipping line routs and rotations.

Mr. Ahmed Jamal Hassan Jawa, Vice-Chairman:

Chairman, Starling Holding Limited

Mr. Ahmed Jawa embodies the Middle East's success story. As Chairman of Starling Holding Limited, Mr. Jawa has continually set business and entrepreneurial excellence standards.

The renowned Saudi Arabian entrepreneur established Starling Holding, an international investment group dedicated to private equity and venture capital, just after graduating from college, when private equity was in its infancy in the Middle East region.

Mr. Jawa's impeccable corporate expertise in oil and gas, healthcare, hospitality, home entertainment, and real estate development helped grow Starling Holding into a global investment leader, with business interests in the Middle East, Europe, USA, North Africa, and South Asia.

His business acumen was recognised in 1996, at the highest level, when he was honoured as one of the 'Global Leaders of Tomorrow' at the World Economic Forum in Davos, Switzerland.

Mr. Jawa's expertise and entrepreneurial skills have seen him become a trusted advisor for global companies that operate in the Middle East.

He is the Vice-Chairman of Emaar Properties, the developer of global icons including Burj Khalifa and Downtown Dubai, and Chairman of Emaar Properties' Risk Committee. He is also a member of its Audit Committee and its Nomination & Remuneration Committee and Investment Committee, offering advice on Emaar's global expansion plans.

Mr. Jawa is also a Board Member of Emaar Development, the leading developer of residential and commercial build-to-sell assets in the UAE, and a member of its Investment Committee and Audit Committee.

In addition, Mr. Jawa is also on the Board of National Pipe Company Ltd. (NPC), a joint-venture between Saudi-based enterprises and Sumitomo Corporation Group of Japan that manufactures and supplies quality pipes for the oil, gas, water and construction services.

Mr. Jawa is a former Chairman of Emaar Middle East (KSA), developer of high-value projects in the Kingdom of Saudi Arabia.

He is a former Chairman of Emaar Turkey and a former Board member of Emaar Misr's in Egypt, he was also the Chairman of its Audit Committee and a member of its Investment Committee.

In addition, he is a former Board member of RAK Petroleum, an Oslo Børs-listed oil and gas investment company and had served as the Chairman of its Audit Committee.

He is a former member of the Board of 'Emaar, The Economic City' PJSC and its Nomination & Remuneration Committee. A public joint-stock company listed on the Saudi Stock Exchange (Tadawul), 'Emaar, The Economic City PJSC' is undertaking the modernisation and execution of King Abdullah Economic City, the largest master-planned community of its kind in the Middle East region.

Mr. Jawa was previously Chairman of Disney Jawa Enterprises, which introduced a range of Walt Disney licenced products to the Middle East region. He was the Chairman & CEO of Stallions Home Video, which redefined home entertainment in the region, and Coflexip, a joint venture with France's Elf Aquitane, to lay underwater pipes for crude oil distribution.

Mr. Jawa holds a Master's in Business Administration (MBA) and a Bachelor of Science in Business Administration, from the University of San Francisco. He is fluent in Arabic, English, and French.

Mr. Mohamed Ali Alabbar, Managing Director:

Founder & Managing Director of Emaar Properties
https://www.emaar.com/

Founder & Director of Noon.com
https://www.noon.com/

Chairman of Eagle Hills
https://www.eaglehills.com/

Chairman of Americana Group
https://www.americanarestaurants.com/

Mr. Mohamed Ali Alabbar is a global entrepreneur with active interests in real estate, retail, hospitality, e-commerce, technology, logistics, F&B and venture capital.

Experience

Since 1997, he has been at the forefront of global real estate, leading marquee real-estate development companies such as Emaar Properties (developer of world's tallest building) and Eagle Hills (leading emerging markets real estate developer). He has spearheaded the growth of Emaar Properties, attaining an unmatched track record of successfully developing iconic futuristic residential, retail, entertainment, hospitality & leisure assets transforming the lifestyles of people globally. Over the years he has developed world-class mixed used projects, including his retail businesses, across 20+ markets of the Middle East, North & Sub-Saharan Africa, Central, Eastern and Southern Europe & South East Asia and US.

Business Acumen

In addition, he has driven the growth of several regional players into world-renown sector champions including Americana Group (a multibillion-dollar food business, the largest integrated food company in the Middle East) and noon.com (the leading e-commerce platform in the region). He was also the Chairman and Co-founder of RSH Limited, a leading pan-Asian and Middle Eastern marketer, distributor, and retailer of internationally renowned sports, golf, active lifestyle, and fashion brands with a portfolio of over 70 brands and a distribution network spanning more than 40 countries in the Asia-Pacific and Middle East region, as well as more than 1000 freestanding stores and shops-in-shops. Mr. Alabbar is also shareholder in Artstreet Limited which owns interests in real estate business. He is the Chairman of Zand, one of the world's first combined digital corporate and retail bank to launch from the UAE.

Education

A graduate in Finance and Business Administration from the Seattle University in the US, also holds an Honorary Doctorate from Seattle University, an Honorary Doctorate from London School of Economics and Political Science and an Honorary Doctorate from Sun Moon University in South Korea.

Mr. Ahmad Al Matrooshi, Executive Board Member:

An Executive Board Member – Emaar Properties PJSC, Ahmad Al Matrooshi oversees the day-to-day operations within Emaar including government affairs, media, public and community relations.

Mr. Al Matrooshi is the Chairman of Emrill Services LLC, Vice Chairman of Emaar Malls PJSC until 21 November 2021, and member of the Consultation Committee for the Dubai Supreme Council of Energy. He holds memberships of a number of important organisations.

Prior to joining Emaar in November 2005, Mr. Al Matrooshi held the position of Chief Executive Officer at the government-run Dubai Development Board (DDB) for almost a decade. At the DDB, he ensured affordable housing and competitive financing rates to all residents across the Emirate. Before this move, Mr. Al Matrooshi was Deputy Director of the Dubai Chamber of Commerce & Industry for 14 years.

Born and brought up in Dubai, United Arab Emirates, Mr. Al Matrooshi holds a Bachelor of Arts in Public Administration and a Diploma in Property Management from NCFE - UK.

Mr. Jassim Mohammed Abdul Rahim Al Ali, Board Member:

Mr. Jassim Mohammed Abdul Rahim Al Ali is the Managing Director of Al Ali Property Investments (API). He has gained experience in planning, construction and development of the family assets.

He is also the Chief Executive Officer of API Hotels and Resorts and is working with operators such as Accor, IHG and Marriott.

In 2006, Jassim finished his Bachelor's in Public Administration from American University of Sharjah (AUS). After graduation, Jassim joined his family business - API in 2006 as the Commercial Director. During his tenure, he worked on numerous projects and is currently accountable for over 70 property assets that are in the UAE.

Jassim is an out of the box thinker and innovator, keeps himself updated by investing his time in books, global current affairs and market economy.

He is a true visionary for tenants residing in his properties where he is aiming to deliver a change from the traditional way of living to a unique experience by introducing technology and new ways of making life as a tenant better.

H.E. Eng. Sultan bin Saeed AlMansoori, Board Member:

His Excellency took the helm of the Minister of Economy from February 2008 till July 2020, effective 17th of February 2008. His Excellency Sultan holds a Bachelor's degree (B.Sc.) in Industrial Engineering & Management Systems from Arizona State University - USA. He also has a Diploma in Computer System Analysis from the Institute of Computer Technology, Los Angeles, California - USA.

In addition to his position as Minister of Economy, His Excellency Sultan held the positions below:

- Minister of transport and communication 2004-2006
- Minister of Government Sector developments 2006-2008
- Chairman of the Supreme Committee for Consumer Protection
- Chairman of the Coordinating and Economic Cooperation Committee
- Chairman of the National Committee for the Follow-up Program of Investment Climate
- Chairman of the UAE International Investors Council
- Chairman of The UAE SME Council
- Chairman of the Board of Directors of the Securities and Commodities Authority
- Chairman of the Insurance Authority
- Chairman of the General Civil Aviation Authority
- Chairman of The Dubai Islamic Economy Development Centre
- Chairman of The Emirates Authority for Standardization & Metrology
- Chairman of CSR UAE Fund Board of Trustees
- Chairman of the Audit Committee of the Board of Directors of the Emirates Investment Authority
- Vice Chairman of the Board of Directors of Al Etihad Export Credit Company
- Member of the Education and Human Resources Council
- Member of the Board of Directors of the Emirates Investment Authority
- Member of the Ministerial Committee for Legislation
- Member of the National Committee on Population Composition
- Member of the Committee of Finance and Economy

As well positions below:

- Senior Airport Coordinator, then Vice-President Operations at Dubai Civil Aviation Authority during the period of 1988-1991
- Director - Dubai Cargo Village during the period of 1991-1996
- Deputy Director General - Dubai Chamber of Commerce & Industry during the period of 1996-1998
- Group Managing Director of Saeed & Mohamed AlNaboodah Group during the period of 1998-2004
- Vice-President of Dubai Islamic Bank during the period of 1999-2008
- Chairman of Aman (Dubai Islamic Insurance Company) during the period of 2002-2008
- Member of GCC Consulting Authority for Supreme council.

Current positions:

1. Board member of Investment Corporation of Dubai
2. Vice Chairman/Board member Commercial Bank of Dubai
3. Board member DP World
4. Board member Emaar Properties PJSC
5. Chairman of Emirati Human Resources Development Council
6. Chairman of Postal Sector Regulatory Committee

H.E. Helal Saeed Almarri, Board Member:

His Excellency Helal Saeed Almarri is the Director General of the Dubai Department of Economy and Tourism. He is a member of the Executive Council of Dubai, a member of the Board of Directors of the Investment Corporation of Dubai and also the Director General of the Dubai World Trade Centre Authority (DWTCA).

H.E. Almarri was recently appointed as chairman of Dubai Financial Market and also serves as a member of the Supreme Committee of the Expo 2020 and board member at the Dubai Chamber of Commerce and Industry, Emaar Properties PJSC and Taaleem PJSC.

Almarri's responsibilities span enhancing Dubai's positioning as the preferred destination for investment, business, leisure and for developing and strengthening the Emirate's economy.

Helal Almarri holds a Master of Business Administration (MBA) degree from the London Business School (LBS). Almarri is a Chartered Accountant from the Institute of Chartered Accountants in England and Wales and previously worked at consulting firms, McKinsey and KPMG.

Mr. Buti Obaid Almulla, Board Member:

Mr. Buti Obaid Almulla is Chairman of Mohamad and Obaid Almulla Group, a Dubai-based family-owned business launched in 1942, and a market leader in key strategic economic sectors: Hospitality, Healthcare & Pharmaceuticals, Real Estate, Travel & Tourism and Investments.

He has extensive professional business experience that spans over 33 years (since January 1990) across the banking, finance, real estate, hospitality, and investment sectors. Born in 1967, Mr. Almulla holds a diploma in business administration from Newberry College, Boston.

He holds several esteemed positions, Chairman - Dubai Insurance Company PSC, Vice Chairman of Emirates Islamic Bank PJSC, Director of Emirates NBD Bank (PJSC), and Director of Dubai Refreshment PJSC.

Ms. Eman Mahmood Abdulrazzaq, Board Member:

As Group Chief Human Resource Officer and Executive member of Emirates NBD Group, Ms. Eman Abdulrazzaq is responsible for over 26,000 employees across 9 countries. Eman has been instrumental in leading a dynamic and proactive working practice cultural change as well as driving Future Skills development to reskill and build out an agile workforce that can embrace the developing digital landscape.

Prior to joining Emirates NBD, Eman was Regional Head of Strategy and Chief of Staff for HSBC Bank Middle East Limited for the Middle East, North Africa and Turkey (MENAT) countries where she also had responsibility for overseeing Sustainable Finance.

She started her career with HSBC originally as a Corporate Banker before moving to Human Resources where she led the function through a number of complex change programs including the implementation of new technology, which led to a significant cultural change and new ways of working for both HR and its customers across the MENAT region.

When her role at HSBC expanded to include Chief of Staff and Strategy and Planning she was a trusted advisor to the Chief Executive Officer, MENAT, leading on the delivery of a number of strategic programs with a focus on growth acceleration to deliver increased business and revenue growth. Globally connected, Eman also worked in close partnership with Senior Management in the HSBC Group to manage M&A transactions in the region as well as successfully drive growth across the region, enhanced by her ability to build strong external stakeholder, customer, and regulatory body relationships.

In December 2021 Ms. Eman was appointed as a Board member of Dubai Refreshment P.J.S.C. and in April 2022 she was appointed as the board member of Emirates Institute of Finance. Eman was the Chairperson of the UAE Banks Federation (UBF) HR Committee and has worked closely with regulators and central banks on introducing sound remuneration policies across Bahrain Oman and KSA.

Eman has spoken at various public forums on topics as diverse as regional economics and unconscious bias in the workplace and, was a speaker on Future Skills in the Workplace at the World Economic Forum at Davos in 2019 and a keynote speaker at EXPO 2020 on Tolerance and Inclusion.

b. A clarification on women's representation in the Board of Directors in 2023:

Ms. Eman Mahmood Abdulrazzaq represents women in the Board of Directors for the year 2023. She was appointed by the shareholders at the Annual General Meeting of the Company on 11 April 2021.

The Company further confirms its continuous support and commitment to provide equal opportunities to women. The Company has always believed in the capabilities, skills and expertise of women and this was demonstrated through the appointment of women in the highest positions within the management of the Company.

c.1. Total remuneration paid to members of the Board of Directors of the Company for the year 2022:

The total remuneration of the Board members (executive and non-executive) for the year 2022 was paid as approved by the Annual General Meeting of the Company and set out in 2022 Corporate Governance Report of the Company.

c.2. Total remuneration proposed to be paid to members of the Board of Directors of the Company for the year 2023, in line with the Board Remuneration Policy of the Company approved by the shareholders at the Annual General Meeting on 21 April 2022 and which remuneration is subject to approval by the Annual General Meeting of the Company:

(i) AED 7,350,000 as total remuneration to be paid to non-executive Board Members of the Company.

(ii) AED 36 million remuneration to the Managing Director, Mr. Mohamed Alabbar, in addition to his annual salary and reimbursement of his business travel and logistical expenses mentioned in Annex D of this report, for his executive duties in 2023.

(iii) AED 4,212,000 remuneration to the Executive Board Member, Mr. Ahmad Al Matrooshi, in addition to his annual salary mentioned in Annex D of this report for his executive duties in 2023.

(iv) AED 3 million remuneration to the non-executive chairman of the Company, Mr. Jamal Bin Theniyah, in addition to the remuneration in point (i) above, for his additional responsibilities and special efforts for and on behalf of the Company.

c.3. Remuneration and allowances for attending committee meetings

Allowances paid to Board members of the Company during the year 2023 for attending meetings of Board committees:

It was decided to pay an amount of one million seventy thousand UAE Dirhams (AED 1,070,000) as allowances for attending meetings of the Board committees for the year 2023 as shown in Annex B-1, in accordance with the rate listed below for each meeting in line with the Board Remuneration Policy of the Company. No allowances will be paid to any executive Board member for attending meetings of committees.

	Audit Committee	Risk Committee	Investment Committee	Nomination & Remuneration Committee
Committee Chairman	25,000	25,000	20,000	20,000
Committee Member	20,000	20,000	15,000	15,000
Invitee to Committee	15,000	15,000	15,000	15,000

c.4. Details of the additional allowances, salaries or fees received by a Board member other than the allowances for attending the committees and their reasons:

A sum of AED 3 million remuneration was paid to the non-executive chairman of the Company, Mr. Jamal Bin Theniyah, in addition to the remuneration mentioned in section c.2(i), for his additional responsibilities and special efforts to the Company as mentioned in section c.2(iv).

d. Number of Board Meetings held during the year of 2023:

The Board of Directors held four (4) meetings during the fiscal year of 2023 on the following dates to discuss matters that do not require disclosure as per the relevant disclosure and transparency regulation issued by the Securities and Commodities Authority:

- 16 March 2023
- 21 June 2023
- 20 September 2023
- 12 December 2023

The personal attendance of Board members is indicated in Annex B-2 attached to this report.

e. Number of the Board resolutions passed by circulation during the 2023 fiscal year, along with convening dates:

The Board of Directors had two resolutions by circulation during the Fiscal Year 2023 dated 28 March 2023 and 11 September 2023.

f. Delegation of Authority:

The Board of Directors delegated to the executive management powers relating to various matters such as the powers to approve construction contracts, consultancy services, operating expenses and banking transactions within certain financial limits. This delegation of powers is reviewed each year.

g. Related Party Transactions:

The Company has entered into various transactions with Related Parties in accordance with the definitions provided for in the Governance Guide. Annex M attached to this report provides the key related party transactions in accordance with the terms defined in the International Financial Reporting Standards (IFRS), and which are already reflected in the consolidated financial statements for the year 2023 and carried out during the year in the normal course of business on the terms agreed between the parties. The key transaction that was concluded in 2023 includes the sale of Namshi Holding Limited to Noon AD Holdings Ltd.

h. Organisational structure of the Company:

Please refer to Annex C attached to this report which includes the Company's organisational structure as of 31 December 2023.

i. Senior Executive Employees:

Please refer to Annex D attached to this report which includes a list of the Company's senior executive employees, date of appointment, total salaries and allowances paid in 2023. Annex D also includes details regarding shares granted to select senior executive employees under the Company's Long-Term Incentive Plan (LTIP) scheme.

4 External Auditor:

a) Brief Background on the External Auditor:

For almost 50 years, KPMG Lower Gulf Limited has been providing audit, tax and advisory services to a broad range of domestic and international, public and private sector clients across all major aspects of business and the economy in the United Arab Emirates (UAE) and in the Sultanate of Oman (Oman). KPMG works alongside its clients by building trust, mitigating risks and identifying business opportunities.

KPMG Lower Gulf is part of KPMG International Cooperative's global network of professional member firms. KPMG firms operate in 143 countries and territories, and employs more than 273,000 partners and people, serving the needs of business, governments, public-sector agencies, not-for-profits and through KPMG firms' audit and assurance practices, the capital markets. KPMG in the UAE and Oman is well connected with its global member network and combines its local knowledge with international expertise, providing the sector and specialist skills required by its clients.

KPMG is widely represented in the Middle East: along with offices in the UAE and Oman, the firm operates in Saudi Arabia, Bahrain, Kuwait, Qatar, Egypt, Jordan, Lebanon, Palestine and Iraq. Established in 1973, the Lower Gulf firm now employs more than 1,700 people, including over 150 partners and directors across the UAE and Oman.

b) Audit Fees:

A table is attached to this report (Annex A) showing the total fees and costs related to the audit and other services provided by external auditors, including the details and nature of the services provided, and a statement of the other services provided by external auditors other than the Company's auditor in 2023, in addition to the number of years served as an external auditor of the Company.

c) A clarification of any qualified opinion provided by the Company's external auditor:

The Auditor's Report did not provide any qualified opinion regarding the interim or annual Financial Statements for the year 2023.

5 Audit Committee:

a) H.E. Eng. Sultan Al Mansoori, as the Chairman of the Audit Committee, acknowledges his responsibility for the committee's system in the Company, for reviewing its working mechanism and for ensuring its effectiveness.

b) Composition and Functions:

The composition of the Company's Audit Committee during the year 2023 was as follows:

1. H.E. Eng. Sultan Al Mansoori (chairman)
2. Mr. Ahmed Jawa (member)
3. Mr. Jassim Al Ali (member)

The committee has many functions, including developing and implementing the policy for appointment of external auditor and following up and monitoring its independence, as well as discussing the nature and scope of the audit process and its effectiveness in accordance with the applicable auditing standards. It also monitors the integrity of the Company's financial statements and reports, considers any significant and/or unusual items that are or must be included in these reports, and reviews the financial controls, internal controls and risk management systems, as well as the Company's financial and accounting policies and procedures.

The Audit Committee oversees the Company's compliance with the Code of Professional Conduct, ensures the proper discharge of its duties as set out in its terms of reference in accordance with the powers entrusted to it by the Board.

The Audit Committee established practical tools to enable the employees to report any potential violations related to financial reports, internal controls or other violations and takes the necessary actions in this regard; it also reviews and approves related party transactions in accordance with the policies adopted by the Board in this regard.

c) **Meetings and Attendance:**

The committee held its meetings during 2023 to discuss matters relating to financial statements and other matters as follows:

- 9 February 2023
- 10 March 2023
- 10 May 2023
- 9 August 2023
- 8 November 2023
- 13 December 2023

The personal attendance of the members of the committee is shown in Annex B-1 attached to this report.

6 Nomination and Remuneration Committee:

a) Ms. Eman Abdulrazzaq, as the Chairman of the Nomination and Remuneration Committee, acknowledges her responsibility for the committee's system in the Company, for reviewing its working mechanism and for ensuring its effectiveness.

b) **Composition and Functions:**

The composition of the Company's Nomination and Remuneration Committee during the year 2023 was as follows:

1. Ms. Eman Abdulrazzaq (chairman)
2. Mr. Ahmed Jawa (member)
3. H.E. Helal Almarri (member)

The committee's principal role consists of reviewing several issues, including, but not limited to, monitoring the independent status of independent board members on a continuing basis, setting out the policy for granting bonuses, benefits, incentives and salaries to Board members and employees, determining the Company's requirements for various skills and competencies, preparing the Company's policies on human resources and regulating and organising and monitoring the procedures for nomination of Board members.

c) **Meetings and Attendance:**

The committee held its meetings during 2023 as follows:

- 15 February 2023
- 6 March 2023
- 18 September 2023

The personal attendance of the members of the committee is shown in Annex B-1 attached to this report.

7 Investment Committee:

a) Mr. Mohamed Ali Alabbar, as the Chairman of the Investment Committee, acknowledges his responsibility for the committee's system in the Company, for reviewing its working mechanism and for ensuring its effectiveness.

b) **Composition and Functions:**

The composition of the Company's Investment Committee during the year 2023 was as follows:

1. Mr. Mohamed Ali Alabbar (chairman)
2. Mr. Jamal Bin Theniyah (member)
3. H.E. Eng. Sultan Al Mansoori (member)
4. Mr. Buti Almulla (member)
5. Mr. Ahmed Jawa (permanent invitee)

The committee's principal role consists of reviewing several issues, including, but not limited to, the company's new investments, feasibility studies and related financing transactions.

c) **Meetings and Attendance:**

The committee held its meetings during 2023 as follows:

- 16 January 2023
- 14 March 2023
- 19 September 2023
- 11 December 2023

The personal attendance of the members of the committee is shown in Annex B-1 attached to this report.

8 Risk Committee:

a) Mr. Ahmed Jawa, as the Chairman of the Risk Committee, acknowledges his responsibility for the committee's system in the Company, for reviewing its working mechanism and for ensuring its effectiveness.

b) **Composition and Functions:**

The composition of the Company's Risk Committee during the year 2023 was as follows:

1. Mr. Ahmed Jawa (chairman)
2. H.E. Helal Almarri (member)
3. Mr. Jassim Al Ali (member)

c) **Meetings and Attendance:**

The committee held its meetings during 2023 as follows:

- 16 February 2023
- 20 March 2023
- 15 June 2023
- 2 October 2023
- 14 December 2023

The personal attendance of the members of the committee is shown in Annex B-1 attached to this report.

The Risk Committee assists the Board in fulfilling its oversight responsibilities, and act within the authority delegated by the Board. The Risk Committee has overall responsibility to review and monitor the risk management framework within the Company.

9 Committee for Monitoring Insiders Trading:

a) Mr. Ahmad Al Matrooshi, as the Chairman of the Committee for Monitoring Insiders Trading, acknowledges his responsibility for the committee's system in the Company, for reviewing its working mechanism and for ensuring its effectiveness.

b) **Names of members of the Committee for Monitoring Insiders Trading, its scope of work and responsibilities**

The members of the committee are Mr. Ahmad Al Matrooshi (Executive Board Member) and Mr. Amit Jain (Group Chief Executive Officer). The committee is responsible for managing, monitoring and supervising trading and ownership of securities of the Company by insiders, maintaining a register of the insiders and submitting periodic statements and reports to the stock market.

c) **Summary of the Committee's activities report for 2023**

The committee prepared and updated the register of insiders and informed the individuals named in the register about the requirements to comply with the insiders trading policy and requested them to ensure compliance with these requirements and to notify the committee when they trade in the Company's shares.

10 Internal Control System:

The Board of Directors has established an internal control system in the form of an internal control policy to assess risk management methods and procedures, ensure adherence to the Governance Guide, comply with relevant laws, regulations, and internal policies, and review financial information used in the preparation of the Company's financial statements. The Board of Directors acknowledges its responsibility for the Company's internal control system, for reviewing its methods of operation and confirms the effectiveness of the internal control system. The Audit Committee supports the Board of Directors in overseeing the application of the internal control system. It has provided the Board with details of the Internal Audit Department's reports and memorandums, along with the minutes from the Audit Committee's meetings.

The Internal Audit Department provides independent and objective assurance and advisory services designed to add value and improve the Company's operations. This is achieved through performing a systematic and disciplined approach that assesses and improves the effectiveness and efficiency of risk management, control systems and governance processes.

Mr. Saeed Almadani leads the Internal Audit Department and serves as the Group Chief Audit Officer and Group Chief Risk & Compliance Officer since his appointment in April 2023. He holds the following qualifications:

- Chartered Accountant (ACA) from the Institute of Chartered Accountants in England & Wales, UK.
- Chartered Public Finance Accountant (CPFA) from the Chartered Institute of Public Finance and Accountancy, UK.
- Associate Financial Accountant (AFA) from the Institute of Financial Accountants, UK.

- Member of the Institute of Public Accountants (MIPA), Australia.
- UAE Chartered Accountant (UAECA) from the Accountants and Auditors Association of the UAE.

Mr. Almadani is also a graduate of the Mohammed Bin Rashid Leadership Program and holds a Master of Laws in International Business Law and a Bachelor's degree in Accounting.

In the event of material violations under the purview of the Internal Audit Department, or if issues arise that require disclosure in the annual report, a detailed report on these matters is prepared and presented to the Audit Committee. The Committee then undertakes appropriate actions to address each incident, including soliciting explanations from Executive Management or directing them to take necessary steps for proper resolution.

In 2023, the Audit Committee received 40 reports and memorandums from the Internal Audit Department concerning operational effectiveness, financial reporting, and compliance with Company policies and relevant laws and regulations.

11 Violations:

The Company did not commit significant violations of the Governance Guide during 2023.

12 Local community development and environmental conservation:

In 2023, the Company's in-kind contributions to community development and environmental preservation totaled AED 1,700,503 across all Emaar business units, including Emaar Properties, Emaar Development, Emaar Entertainment, Emaar Malls Management, Emaar Hospitality Group, Emaar Communities Management, and Emaar International. The Company's cash contributions through Emaar Foundation (CAD) in 2023 amounted to AED 20,315,000. An exhaustive list of Emaar's 2023 Corporate Social Responsibility (CSR) initiatives can be found in Annex E.

13 General Information:

a. Please refer to Annex F of this report for information on the Company's share price in the financial market at the end of each month, during the year 2023.

b. Please refer to Annex G regarding the comparative performance of the Company's shares as opposed to the market index and the sector index to which the Company belongs, during year 2023.

c. Please refer to Annex H for categories of shareholders as of 31 December 2023.

d. Please refer to Annex I for a list of shareholders holding 5% or more of the Company's capital.

e. Please refer to Annex J for categories of shareholders by reference to the size of their percentage shareholding as of 31 December 2023.

f. Please refer to Annex K for the significant events that took place in the Company in 2023.

g. There was only 1 transaction carried out by the Company with related parties during 2023, which equaled to 5% or more of the Company's capital as defined in the Governance Guide regarding the sale of Namshi Holding Limited to Noon AD Holdings Ltd.

h. Emiratisation percentage in the Company at the end of 2022 and 2023 is as follows:

- 2022: 3.1%
- 2023: 5.77%

i. Please refer to Annex L for the list of innovative projects and initiatives implemented by the Company or which were under development during 2023.

j. Investor Relations Guidelines:

The name and contact information of the Investors' Relations Manager:

Mr. Abhay Singhvi

Contact Information:

- Tel No.: 04 362 7466
- Email: investor-relations@emaar.ae

The Investor Relations webpage link on the Company's website:

- Link: https://www.emaar.com/en/investor-relations

k. Special Resolutions presented to the Annual General Meeting held in 2023 and the procedures taken in relation to the same:

There were no Special Resolutions presented to the Annual General Meeting held in 2023.

l. The name of the Board Secretary and the date of his appointment:

Mr. Khalfan Al Falasi was appointed as the Company Secretary of Emaar on September 1, 2023. Mr. Al Falasi has contributed to Emaar's legal department since September 2019. He began his career in 2009 at Dubai Customs, followed by a pivotal role at the Ministry of Interior in 2014.

Academically, Mr. Al Falasi holds a bachelor's degree in law from the American University in the Emirates and an Executive MBA from the Institute of Technology Management in Dubai. His qualifications are further enhanced by a corporate secretary "governance" certificate issued by Hawkamah.

Jamal Bin Theniyah
Chairman of the Board of Directors

Eman Abdulrazzaq
Chairman of the Nomination and Remuneration Committee

H.E. Eng. Sultan Al Mansoori
Chairman of the Audit Committee

Saeed Almadani
Group Chief Audit Officer

Date: 29 March 2024

ANNEX A

Audit fees Table Report

Name of the audit firm and partner auditor	KPMG – Sidharth Mehta
Number of years spent as external auditor of the Company	KPMG (5 years)
Total audit fees for 2023 (in AED)	346,500
Fees and costs of other special services other than auditing the company's financial statements for 2023 (in AED)	3,707,684
Details and nature of other services provided (if any)	2023 mainly represents audit/review fees paid to KPMG for Group entities. Non audit service mainly includes additional scope of work (mainly corporate tax impact assessment, agreed upon procedures reports, and review of integrated report)
Statement of other services that an external auditor other than the company accounts auditor provided during 2023 (if any)	8,985,060

A statement of the services performed by **external auditors** other than the Company's auditor in 2023:

Name of Audit Firms	Beneficiary of the Service	2023 (AED)	Remarks
Ernst & Young	Emaar Properties PJSC, Emaar Misr, Emaar Giga Karachi (EGKL), Emaar Morocco - Tinja, At The Top, Emaar Syria, DHE DCP, DHE Hospitality, DHE Retail, DHE BTS, Rove Hospitality, Sky Views, Emaar Hospitality Group, Emaar Turkey, Manarat Al Manzil, Emaar Middle East, Emaar Misr, and UAQ (KSA)	3,104,803	Represents audit fees for various subsidiaries, Taxation fees, corporate governance report, VAT compliance assistance & advisory, consultation fees, and others
FINSERVS CONSULTING	Emaar Misr	867,075	Pertains to taxation fees and others
Deloitte & Touche (M.E.)	Emaar Hotels & Resorts, Emaar Properties PJSC, Manarat Al Manzil, Emaar Lebanon, Emaar Middle East	1,322,945	Represents Audit, Advisory & consultancy services
Maryam Bin Belaila Auditing	Amarco, Emaar General Trading	7,875	Represents audit fees.
Grant Thornton	Emaar Malls Group, Emaar Holding, Emaar Holding II	88,203	Represents audit fees
GMR & Associates	Cyberabad Convention Centre Pvt. Ltd., Boulder Hills Leisure Private Limited and Emaar Hills Township Private Limited	26,012	Pertains to Company Secretarial Services
NAC & Associates LLP	Cyberabad Convention Centre Pvt. Ltd., Boulder Hills Leisure Private Limited and Emaar Hills Township Private Limited	323,797	Pertains to tax filing, tax audit & income tax matters
BDO India LLP	Cyberabad Convention Centre Pvt. Ltd., Boulder Hills Leisure Pvt. Ltd.	32,483	Pertains to internal Audit
Walker Chandiok & Co LLP	Cyberabad Convention Centre Pvt. Ltd., Boulder Hills Leisure Private Limited and Emaar Hills Township Private Limited	199,954	Pertains to Audit fee, GST & other fee
JITENDER NAVNEET AND CO	Emaar India Limited	22,899	Relates to Consultancy fees
MSKA & Associates	Emaar India Limited	675,606	Represents Audit fees and other services
Abany & Co, AGAC and Nexia	Emaar Misr	163,041	Represents advisory fees and other services
Al Dar Audit Bureau	Emaar Middle East, Manarat Al Manzil	112,578	Represents Audit Fee
Blessed Arabia Business Service (BABS)	Manarat Al Manzil, Emaar Middle East	380,435	Represents advisory fees and taxation fees
RSM DAHMAN AUDITORS	Emaar Malls Group	2,350	Others (Tenant Sales Audit)
Çınar Gayrimenkul Değerleme (Property Valuation)	Emaar Turkey	42,423	Pertains to Advisory fees
EVA Gayrimenkul Değerleme (Property Valuation)	Emaar Turkey	37,432	Pertains to Advisory fees
AZTEK ARAŞTIRMA HİZMETLERİ VE TİC.LTD. ŞTİ	Emaar Turkey	26,709	Others (Audit of mall tenancies' sales amount)
Premier Brains Accounting & Auditing	Emaar Entertainment LLC, Dubai Opera, The Burj Club	78,900	Represents Audit, Revenue & Municipality Audit fees
UHY James Chartered Accountants	Emaar Malls Group	26,000	Others (Tenant Sales Audit)
PWC	Emaar Turkey, Emaar Properties	251,575	Pertains to Consultancy fees and Technical upgrade for Migration project
Accolet Advisors Pvt. Ltd. (Value Added Tax matter)	Cyberabad Convention Centre Pvt. Ltd.	7,225	Pertains to Value added on tax matter
Others	Emaar Properties PJSC, Emaar DHA Islamabad Limited (EDIL), Emaar Karachi Limited, Casa Vida, Emaar India limited, Emaar Lebanon, Indian subsidiaries, Emaar Malls Group, Boulder Hills Leisure Pvt. Ltd., Emaar IGO	1,184,741	Relates to Audit fees, tax related consultancy, consultancy and other advisory fees
	Total	**8,985,060**	

ANNEX B-1

Attendance of Board members of Emaar Properties PJSC the committee meetings and allowances[1] entitled for the year 2023

Name	Nomination & Remuneration Committee		Audit Committee		Risk Committee		Investment Committee	
	Attendance	Allowance	Attendance	Allowance	Attendance	Allowance	Attendance	Allowance
1. Mr. Jamal Bin Theniyah	-	-	-	-	-	-	4	60,000
2. Mr. Ahmed Jawa	3	45,000	5	100,000	5	125,000	4	60,000
3. Mr. Mohamed Ali Alabbar	-	-	-	-	-	-	4	-
4. Mr. Ahmad Al Matrooshi	-	-	-	-	-	-	-	-
5. Mr. Jassim Al Ali	-	-	6	120,000	5	100,000	-	-
6. H.E. Eng. Sultan Al Mansoori	-	-	6	150,000	-	-	3	45,000
7. H.E. Helal Almarri	3	45,000	-	-	5	100,000	-	-
8. Mr. Buti Almulla	-	-	-	-	-	-	4	60,000
9. Ms. Eman Abdulrazzaq	3	60,000	-	-	-	-	-	-

- All meetings were attended in person and there was no attendance by proxy.

[1] Allowances amount in AED

ANNEX B-2

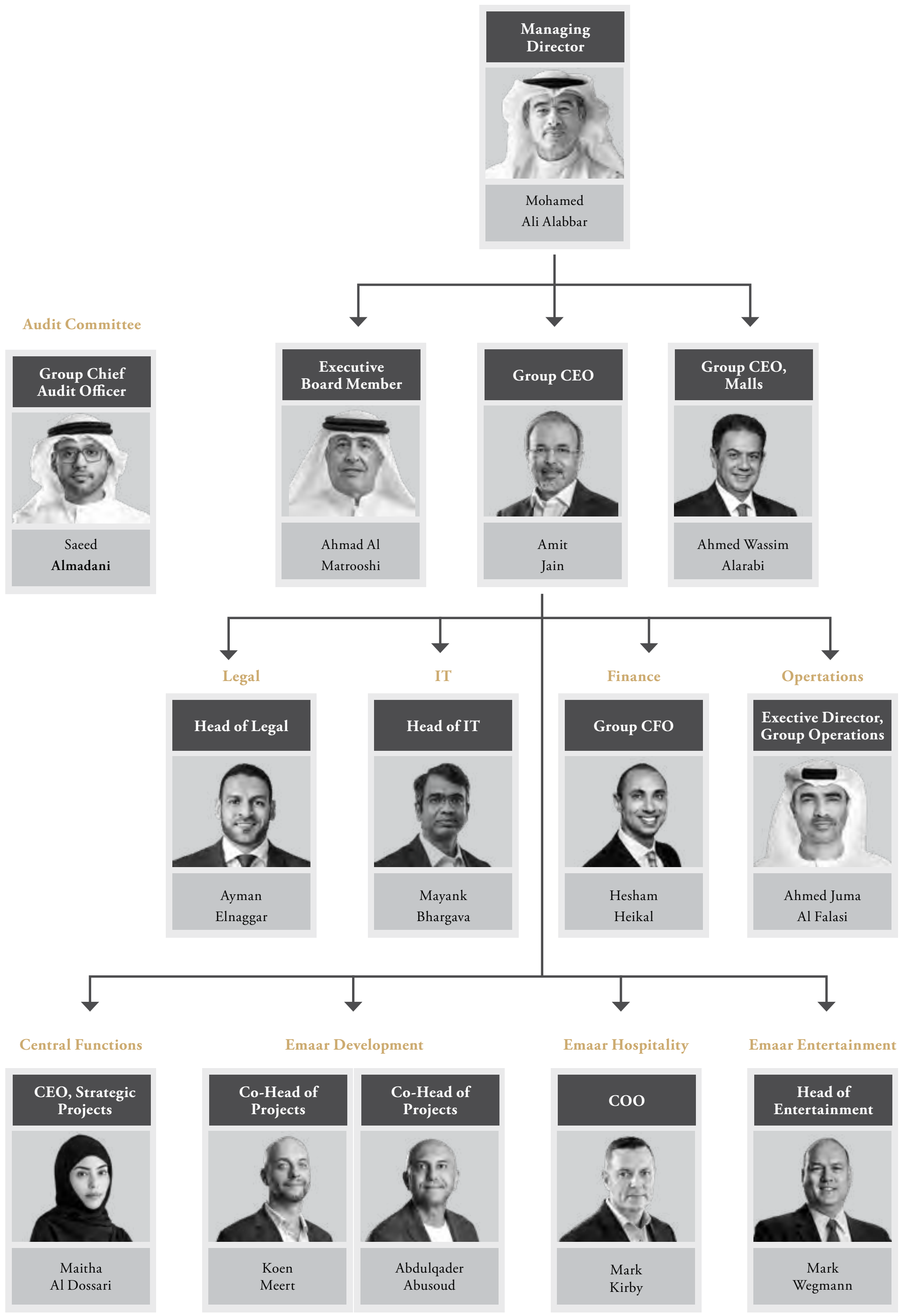
Attendance of Board Meetings

Name	Attendance
Mr. Jamal Bin Theniyah	4
Mr. Ahmed Jawa	4
Mr. Mohamed Ali Alabbar	4
Mr. Ahmad Al Matrooshi	4
Mr. Jassim Al Ali	4
H.E. Eng. Sultan Al Mansoori	4
H.E. Helal Almarri	4
Mr. Buti Almulla	4
Ms. Eman Abdulrazzaq	3

- All meetings were attended in person and there was no attendance by proxy.

ANNEX C

Organisational Structure of the Company as of 31 December 2023



ANNEX D

Senior Executive Employees

SN	Position	Date of Appointment	Total Salaries and Allowances paid for 2023 (AED)	Total Bonuses paid during 2023 (AED)
1	Managing Director	01-Jan-97	12,000,000	36,000,000
2	Executive Board Member	01-Nov-05	2,594,717	1,771,896
3	Group Chief Executive Officer	01-May-06	5,005,562	3,561,615
4	Group Chief Financial Officer	22-Nov-20	2,324,537	1,352,518
5	Executive Director – Group Operations	10-Mar-02	2,421,003	1,310,179
6	CEO Strategic Projects	10-Sep-00	2,555,088	1,818,232
7	Group Chief Executive Officer – Emaar Malls	01-Feb-22	2,947,486	1,965,846
8	Group General Counsel	13-Apr-21	1,369,439	425,598
9	Group Chief Audit Officer	03-Apr-23	1,317,500	-
10	Head of Information Technology	19-Dec-23	42,774	-
11	Head of Infrastructure and Managed Services	19-Nov-20	1,167,801	433,165
12	Head of Entertainment	05-Jun-23	844,600	-
13	Chief Operating Officer – Emaar Hospitality	16-Nov-14	1,211,788	535,950

The Board of Directors of the Company has authorized a Long-Term Incentive Plan (LTIP) applicable from 2023 for selected employees of the Group. The LTIP scheme aims to offer long-term rewards for selected members of the senior management team to achieve long-term shareholder returns. The Company has granted Phantom Shares (PS) to its eligible employees under the LTIP scheme, which will vest on the last day of the 3-year term based on the achievement of 3-year forward financial matrices. The amount payable to eligible employees in respect of any PS is linked to the share price of the Company. The below table shows the PS's granted in 2023 to eligible senior management team:

Position	Phantom Shares Granted in 2023
Executive Board Member	813,783
Group Chief Executive Officer	1,601,334
CEO Strategic Projects	499,083
Group CFO	455,379
Chief Operating Officer, Emaar Hospitality	308,257
Group Chief Executive Officer, Malls	862,385
Senior Director, Structural Design (Emaar Development)*	34,529
Director, Interior Design (Emaar Development)*	18,766
Head - Procurement, Contracts & Cost Management (Emaar Development)*	15,538

* These senior management employees were also granted PS which are linked to the share price of Emaar Development PJSC, a DFM listed subsidiary of the Company. The table below shows such PS granted:

Position	Phantom Shares Granted in 2023
Senior Director, Structural Design (Emaar Development)	113,234
Director, Interior Design (Emaar Development)	61,540
Head - Procurement, Contracts & Cost Management (Emaar Development)	50,955

Notes:

- Please refer to section c1 & c2 in this report on remuneration of members of the Board of Directors of the Company.
- The Managing Director is also entitled to business travel and related logistical expenses. In 2023, AED 14,437,311 was recorded in line with the entitlement specified as per the Board Remuneration Policy of the Company.

ANNEX E

Since 2004, Emaar Properties has established a culture of corporate social responsibility, which began with helping welfare groups in UAE communities as part of Emaar's CSR programme. Today, its outreach has gone beyond the UAE border to reach a host of different countries and different categories.

Our corporate social responsibility (CSR) strategy aims at:

- Providing sustainable benefits for our stakeholders.
- Minimising our impact on the environment, both directly and through what we do for our stakeholders.
- Providing support for the wellbeing and development of staff.
- Improving the positive impact on the communities we live and work in and reducing the negative impact.
- Continuous development of our governance and transparency.

Our Initiatives in 2023

February 2023:

- **Red Crescent Donation (AED 5M):** Emaar extended significant support to the Red Crescent for aid in Syria and Turkey, emphasizing a commitment to global humanitarian assistance.
- **SCA Donation (AED 315,000):** The Securities and Commodities Authority was supported to enhance the safety and security of trading environments.
- **Community Clean Up Drive (AED 2,000):** This initiative encouraged community engagement and promoted environmental responsibility.

March 2023:

- **Ramadan Initiatives (AED 100,000):** The Ramadan Cannon with Dubai Police was a highlight of the cultural heritage celebration during the holy month.
- **International Women's Day (AED 250):** Emaar celebrated this day promoting gender equality and empowerment.
- **Dubai Centre for Special Needs (AED 6,450):** A visit to the Dubai Autism Centre underscored the support for individuals with autism.
- **World Down Syndrome Day (AED 22,375):** Emaar marked this day with advocacy and inclusive activities by inviting kids from the Dubai Autism Centre to KidZania.
- **1 Billion Meals Endowment (AED 50,000 per post):** Emaar showed its commitment to combating hunger with in-kind social support.
- **Earth Hour (AED 150,000):** Participation in Earth Hour underscored Emaar's commitment to global sustainability.

April 2023:

- **Autism Day (AED 150,000):** Awareness about autism spectrum disorders was raised through special activities.
- **Government Housing Programme (AED 15M):** Emaar demonstrated its support for social housing and community development through significant contributions.
- **'Safety & Health at Work' Day**: A webinar promoted workplace safety and health, reflecting Emaar's dedication to employee well-being.

May 2023:

- **Mental Health Webinar:** The event emphasized the importance of mental health and aligning with global initiatives to improve psychological well-being.
- **Drones to Dubai Civil Defence (AED 900,000):** Emaar enhanced the city's emergency response capabilities by investing in drones for the Dubai Civil Defence.

June 2023:

- **World Environment Day and International Yoga Day:** These events demonstrated Emaar's commitment to environmental sustainability and promoting a healthy lifestyle.

July 2023:

- **Orphans Visit to EEG Attractions (AED 14,090):** Emaar arranged for orphans to enjoy KidZania and the Dubai Aquarium & Underwater Zoo, ensuring memorable experiences.

August 2023:

- **Emirati Women's Day:** Emaar celebrated this day with activities that honoured Emirati women's achievements and supported women's health initiatives.

September 2023:

- **Welcoming UAE Astronaut Sultan AlNeyadi (AED 100,000):** Emaar celebrated national pride and achievements by honouring Emirati astronaut Sultan AlNeyadi with a projection on Burj Khalifa's facade.
- **Blood Donation Partnership with DHA (AED 200):** A blood donation drive in partnership with the Dubai Health Authority showcased Emaar's commitment to healthcare and community welfare.

October 2023:

- **Breast Cancer Awareness (AED 150,600):** Emaar demonstrated its support to women's health and advocacy through its contribution to breast cancer awareness.
- **Halloween Celebration**: ECM's Halloween event at Dubai Creek Harbour added a festive and community-building dimension to Emaar's CSR activities.
- **Breast Cancer Awareness at Hartland International School** (AED 600): The event raised AED 600, all of which was donated to the Al Jalila Foundation to support breast cancer awareness.

December 2023

- **Emaar's Gaza Donation Drive**: Emaar successfully gathered about 4 tons of food, winter clothing, hygiene packages, and toys, with contributions from all business units, including our Fujairah hotels. We donated 55 boxes to the Emirates Red Crescent's 'Tarahum for Gaza' campaign. Our effort was bolstered by nearly 15 volunteers who diligently packed and labelled the items.
- **Make A Wish Foundation visit (AED 1,521):** In a heartfelt initiative, Emaar collaborated with the Make a Wish Foundation to grant the wishes of children with health conditions. On December 19, 2023, nine tickets were issued for a special visit, marking a memorable day for these children. The initiative reflects Emaar's dedication to bringing joy and hope to young lives facing health challenges.
- **UAE National Day at Dubai Hills Estate (AED 96,000):** Emaar celebrated UAE National Day at Dubai Hills Estate with a grand event. This celebration not only honoured the spirit of the nation but also served as a testament to Emaar's commitment to cultural pride and community unity.
- **Dubai Police Parade in Downtown Dubai (AED 52,500):** Emaar supported the Dubai Police parade in Downtown, an event that showcased a vibrant display of local pride and community engagement. This involvement further exemplifies Emaar's commitment to celebrating national events and strengthening community ties.

Emaar International

Emaar India:

In 2023, Emaar India reaffirmed its commitment to corporate social responsibility through its 'Ujaala' programme. This year, the company successfully executed a series of impactful initiatives aimed at supporting communities, promoting sustainability, and enhancing wellbeing. These initiatives ranged from supporting the elderly and underprivileged to environmental conservation, each reflecting Emaar India's dedication to making a meaningful difference in society.

- **Bonfire at Old Age Home (January 2023, INR 15,000):** This event provided warmth, joy, and companionship to the elderly residents. Emaar India's employees engaged directly with the old age home's residents, offering them a memorable evening filled with warmth and care.
- **Book Donation Drive (February - March 2023, INR 19,000):** Successfully promoting literacy and education, this drive collected and distributed a significant number of books to underprivileged communities. The initiative not only supported education but also encouraged a culture of reading and knowledge sharing.
- **Blood Donation Campaign (May 2023):** Emaar India's employees and volunteers actively participated in this lifesaving activity, contributing to the healthcare system by maintaining an adequate blood supply for medical emergencies. This campaign demonstrated the company's commitment to healthcare and community welfare.
- **Tree Plantation Drive (August 2023):** This environmentally focused initiative led to the planting of numerous trees, contributing to ecological sustainability and combatting climate change. It fostered environmental responsibility among the employees and the local community, making a tangible impact on the environment.
- **Stationery Drive (October 2023, INR 23,000):** This drive collected and distributed essential learning tools to children in need, supporting their educational efforts. The initiative highlighted Emaar India's commitment to empowering youth through education.
- **Food Donation Drive (December 2023, still in progress):** Addressing hunger and food insecurity, this drive is currently distributing nutritious food to those in need. It showcases Emaar India's solidarity with less fortunate communities and its dedication to addressing basic human needs.

Emaar Egypt:

1. **Gaza Aid Contribution:** Emaar Egypt's significant humanitarian effort included a donation of 3 tons of blankets and 35 tons of food cartons, providing essential relief to the people in Gaza.

2. **Ramadan Boxes Initiative X Misr ElKheir:** Emaar Egypt's employees volunteered to distribute essential food items to underprivileged areas during Ramadan, embodying the spirit of giving and community support.

3. **Christmas Event - TFT Collaboration:** In partnership with House of Cocoa, this event engaged the community through the sale of specially designed mugs, merging festive celebrations with social responsibility.

4. **Collaboration with FACE Foundation:** Emaar Egypt supported services addressing the needs of children, with a focus on family reintegration and providing high-quality care.

5. **Mr. Mohamed Alabbar's Visit to Face Foundation:** A visit that enabled interactive engagement with children, focusing on their aspirations and participation in their activities, reflecting Emaar's commitment to nurturing future generations.

6. **Beyout ElKheir (Phases II):** In its second phase, the Beyout ElKheir initiative's significant impact was seen across various governorates in Egypt, focusing on home renovations and the creation of sustainable income sources for beneficiaries.

   Phase II saw the renovation of 429 homes, impacting around 1,716 individuals. This phase included 45 income-generating projects. The activities took place in Luxor (42 homes and projects) and Sharkia (387 homes and projects).

PROJECT	GOVERNORATE	SERVICES PERFORMED
Home Renovation	Luxor	42 Homes + Kids Playing Area
	Sharkia	387 Homes
TOTAL NUMBER OF HOMES		**429 Homes + Kids Playing Area**
Income-Generating Projects	Luxor	12 projects
	Sharkia	20 Projects
INCOME-GENERATING PROJECTS		**35 Projects**
Social Care Association for Orphans in Beni Suef		Restoration & Rehabilitation
Al-Shaimaa Orphanage in Assiut		Restoration & Rehabilitation

7. **Shamsi Solar Oven Project in El Minya:** This project introduced energy-efficient solar ovens in rural homes, offering an eco-friendly and cost-effective cooking solution, underscoring Emaar's dedication to sustainable living practices.

Emaar Hospitality:

In 2023, Emaar Hospitality Group undertook several CSR initiatives, aligning with its commitment to social responsibility. These activities, varied in nature, aimed to make a meaningful contribution to the community. Through these efforts, Emaar Hospitality Group demonstrated its dedication to more than just business success, emphasizing its role in supporting and enriching the communities where it operates.

1. **Yoga in The Sky at Address Beach Resort (6th October 2023):** On 6th October 2023, Address Beach Resort, in collaboration with Trufusion, hosted 'Yoga in The Sky' for Breast Cancer Awareness. This exclusive event on Level 77's Wooden Deck saw eight influencers participating in a yoga class, followed by an enlightening talk with Dr. Mahmoud on breast cancer. The event concluded with a Pinktober afternoon tea in The Lounge, marking a memorable day of awareness, wellness, and community engagement.

2. **Emirati Women's Day at Address Grand Creek Harbour:** Celebrating Emirati Women's Day, Address Grand Creek Harbour, in partnership with abaya brand Wafa Balaswad, hosted an inspiring evening. The event featured a styling session with the brand's founder, Wafa Balaswad, who shared her journey as an entrepreneurial Emirati woman. Guests were treated to Address Grand Creek Harbour's signature afternoon tea, making this event a beautiful tribute to the achievements and resilience of Emirati women.

3. **ADDRESS BOULEVARD X YSL BEAUTY for Emirati Women's Day (28th August 2023):** In honour of Emirati Women's Day, Address Boulevard joined forces with YSL Beauty for an exclusive event on 28th August. The afternoon, held in the Lobby Lounge from 3 to 5 pm, welcomed 22 Emirati influencers and friends for a unique experience. The event featured a YSL-themed afternoon tea, a makeup masterclass by YSL, and special gifts, creating a luxurious and empowering celebration of Emirati women's style and grace.

4. **Vida Downtown's Collaboration with Jardin De Parfums (October 2023):** Vida Downtown partnered with Jardin De Parfums for Pink October, featuring a lobby installation from October 10th to 31st. Additionally, an event on October 19th at the Stage2 Lobby Lounge included a panel discussion with health advocates and a perfume masterclass by Jardin De Parfums, attended by female influencers, health advocates, and breast cancer survivors, emphasizing breast cancer awareness.

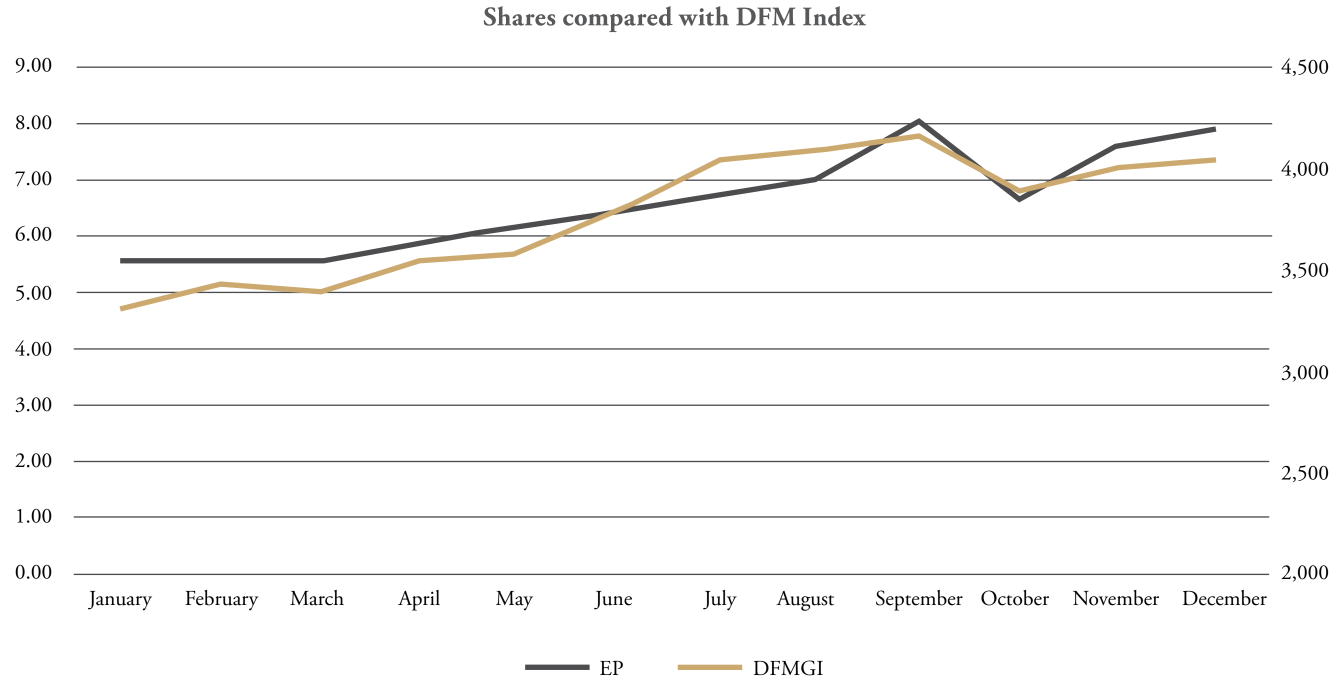
ANNEX F

Company Share Price in the Market (Closing Price, Highest Price, Lowest Price) at the end of each month during the year 2023

2023	Highest price	Lowest price	Closing price
January	5.94	5.55	5.56
February	5.85	5.25	5.6
March	5.82	5.08	5.6
April	6.18	5.62	5.93
May	6.15	5.76	6.15
June	6.61	6	6.41
July	6.92	6.42	6.76
August	7.15	6.72	7.06
September	8.07	6.96	8.04
October	8.45	6.2	6.69
November	7.59	6.57	7.59
December	7.96	7.14	7.92

ANNEX G

Comparative performance of the Company's shares with the market index and the sector index to which the Company belongs during 2023



ANNEX H

Categories of Shareholders as of 31 December 2023 (Individuals, Companies and Governments) classified as follows: UAE, GCC, Arab, Foreign

	Percentage of Shares Owned			
Shareholder Category	**Individual**	**Companies**	**Government**	**Total**
UAE	15.07%	18.59%	23.53%	57.19%
GCC	1.01%	3.79%	-	4.80%
Arab	0.88%	0.03%	-	0.91%
Foreign	0.86%	33.30%	2.95%	37.10%
Total	**17.8120%**	**55.7042%**	**26.4830%**	**100%**

ANNEX I

Shareholders holding 5% or more of the capital of the Company as of 31 December 2023

Name of Shareholder	Number of Share Held	% of Shares Held of the Capital
DH 7 LLC	659,050,967	7.456%
Investment Corporation Dubai	1,968,605,691	22.272%
Total	**2,627,656,658**	**29.728%**

ANNEX J

Categories of Shareholders According to the Size of their Percentage Shareholding as of 31 December 2023

Share(s) Owned	Number of Shareholders	Number of Share Held	% of Shares Held of the Capital
Less than 50,000	40,434	326,106,375	3.69%
From 50,000 to less than 500,000	3,385	482,707,778	5.46%
From 500,000 to less than 5,000,000	778	1,250,737,881	14.15%
More than 5,000,000	214	6,779,237,815	76.70%
Total	**44,811**	**8,838,789,849**	**100%**

ANNEX K

Significant Events of the Company during 2023

Emaar Properties sponsored the following events in 2023:

Name	Date
Dubai World Cup	March
Dubai Polo Cup	March
Jiujitsu	April
American University of Sharjah	August
Future Investment Initiative	October
WETEX 2023	October

Emaar Properties held the following major events in 2023:

Name	Date
AGM	April
Mid-Autumn Reception	September
UAE National Day Activation	November
New Years Eve Fireworks at Burj Khalifa	December

ANNEX L

Innovative Projects and Initiatives implemented by the Company during 2023

Emaar's Pioneering Ventures and Endeavours in 2023

In 2023, the HR and People & Performance departments at Emaar embarked on a transformative journey, implementing a series of specialized programs and initiatives. This report highlights our innovative approach to talent development and organisational growth.

Group Wide Talent Mapping: Through meticulous assessment, we pinpointed and appraised mid-management talent within Emaar. This vital initiative helped in ensuring business resilience and succession readiness, evaluating the talent spectrum, strengths, and areas for development.

- **Employee Engagement Dialogues:** Proactive discussions were held between HR/Leadership and key talent to gauge job satisfaction, commitment, and retention factors. These dialogues aimed to address employee concerns early, offer solutions, and sustain our talent pool.
- **Mentorship Programme:** We introduced a structured mentorship scheme to cultivate a learning and growth culture, benefiting both individual careers and our collective organisational triumph.
- **Top Talent Programme:** Building on our talent overview, we identified high achievers and potential leaders worldwide, offering them chances to engage in real-time business projects with leaders.
- **Skill Cloud Generation:** We created an extensive skills ecosystem and detailed job profiles, enhancing recruitment, performance management, and skill development, thereby addressing current and future talent needs.
- **Strategic Succession Planning:** We identified key roles and potential internal successors, developing individual growth plans. This strategy bolstered our business continuity and internal talent mobility.
- **Online Learning Access:** All staff members have access to various learning platforms:
  - **Senior staff (Grades 7+):** Coursera access for a comprehensive range of courses and certifications from top universities.
  - **Intermediate staff (Grades 5&6):** LinkedIn Learning access for diverse modules and learning videos.
  - **Junior staff (Grades 1-4):** Rapid Learning platform for personalized learning queues and extensive quizzes.
- **Graduate and Internship Programmes:** We have implemented robust programs for graduates and interns, fostering future talent and providing practical experience in our business environment.

Emiratisation timeline throughout 2023

During 2023, significant strides were made in advancing Emiratisation efforts within our organization. Key highlights include:

- The launch of Graduate Trainee Programme 1.0: This initiative involved the recruitment of fresh graduate UAE nationals across our group, resulting in the enrolment of 29 Emiratis who successfully completed the full-time training program.
- Participation in American University of Sharjah Career Fairs: We successfully piloted an AI-based recruitment tool at these fairs, enhancing our recruitment processes.
- Launch of Emirati Graduate Management Programme: This program welcomed 4 Emirati top graduates from top tier universities.
- Launch of Emirati Summer Internship Programme: 13 Emirati students from leading universities in the UAE were offered internship opportunities ranging from 8 to 11 weeks, providing valuable experiential learning experiences.
- Precipitation in Ru'ya Career Fair the largest UAE national based career fair, where we successfully received over 1600 applicants.
- Launch of Graduate Trainee Programme 2.0: Building on the success of the initial program, we expanded our efforts by hiring 71 fresh graduate UAE nationals across the organization.
- Launch of Mentorship Programme 2.0: This initiative pairs graduate trainees and UAE nationals within Emaar, with 23 Emirati mentors identified to guide and develop the mentees. Overall, 147 are enrolled within the program and distributed to 23 mentors.

ANNEX M

Statement of the Related Parties Transactions in accordance with the International Financial Reporting Standards (IFRS) as listed in the Consolidated Financial Statements of the Company for the year 2023

The Group in the normal course of business enters into transactions with individuals and other entities that falls within the definition of related party. The Group's related parties include key management personnel, entities held under common control, associates, joint ventures and others.

The Group is partly owned by Investment Corporate of Dubai ("ICD"), an entity owned by the Government of Dubai ("Government") which has a significant influence over the Company. The Group enters into transactions, in the normal course of business, with Government-owned entities and entities wherein ICD has control, joint control or significant influence. In accordance with the exemption available in IAS 24, management has elected not to disclose such transactions, which are primarily in nature of financing and operational (power, utilities, infrastructure services etc.) related activities and entered in the normal course of business at commercial terms.

Related party transactions

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 presented below, or disclosed in the financial statements otherwise:

	2023 AED'000	2022 AED'000
Associates and Joint Ventures:		
Property development expenses	**13,204**	21,287
Islamic finance income	**955**	2,120
Selling, general and administrative expenses	**8,420**	10,013
Revenue from leasing, retail and related income	**3,063**	2,603
Cost of revenue	**138,937**	111,690
Other operating income	**8,429**	8,169

	2023 AED'000	2022 AED'000
Key management personnel and their related parties:		
Selling, general and administrative expenses	**73,902**	76,210
Rental income from leased properties and related income	**98,532**	79,338
Finance costs	**23,632**	26,607
Cost of revenue	**4,245**	14,141
Property development expenses	**11,230**	24,240
Other operating income	**38,581**	38,038
Other income	**716,369**	18,095

Related party balances

Significant related party balances (and the consolidated statement of financial position captions within which these are included) are as follows:

	2023 AED'000	2022 AED'000 (Restated)
Associates and joint ventures:		
Trade and other payables	**8,256**	7,877
Trade and unbilled receivables	**1,314**	1,305
Other assets, receivables, deposits and prepayments	**36,661**	16,030

	2023 AED'000	2022 AED'000 (Restated)
Key management personnel and their related parties:		
Trade and unbilled receivables	**4,711**	7,483
Other assets, receivables, deposits and prepayments	**32,740**	71,336
Advance from customers	**3,036**	3,117
Trade and other payables	**388,554**	422,070

Compensation of key management personnel

The remuneration of key management personnel during the year was as follows:

	2023 AED'000	2022 AED'000
Short-term benefits	**106,278**	104,259
Long-term incentive	**12,286**	-
Employees' end-of-service benefits	**2,549**	4,101
	121,113	108,360

During the year, Company has considered employees above a specific grade as key management personnel's (KMPs) and aforesaid, including comparative financial information reflecting remuneration related to these KMPs.

CONSOLIDATED FINANCIAL STATEMENTS

IN THIS SECTION

DIRECTORS' REPORT

The Board of Directors of Emaar Properties PJSC (the "Company") has the pleasure in submitting the consolidated statement of financial position of the Company and its Subsidiaries (the "Group") as at 31 December 2023 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31 December 2023.

Principal activities

The principal activities of the Group during the year ended 31 December 2023 were property investment, development and development management, shopping malls and retail, hospitality, property management and utility services and investment in providers of financial services.

Our performance in 2023

Emaar has shown strong commitment to the development of Dubai's economy and the improvement of our society. Our contributions in all areas have been substantial and effective, driven by steady growth in the real estate market, recovery in travel and tourism, and trust in Emaar's leading brands. Last year, we unveiled a major expansion of our flagship residential development portfolio in the UAE with the introduction of "The Oasis". This visionary project, valued at an astounding AED 73 billion, aims to redefine luxurious living while fostering a greener future within Dubai's dynamic landscape. In 2023, Emaar achieved group property sales of AED 40.3 billion, marking a 15% growth and bolstering our Group revenue backlog from property sales to AED 71.8 billion, including joint ventures.

Furthermore, our diverse recurring revenue portfolio, comprising malls, hospitality, leisure, entertainment, and commercial leasing, witnessed remarkable growth, surpassing AED 9.2 billion in revenue, a surge of over 26% from the previous year. Notably, our flagship asset, the Dubai Mall, welcomed a record 105 million visitors, an increase of over 19% compared to the previous year, making the mall the most visited destination globally in 2023.

The Group recorded a net profit attributable to the owners of the Company of AED 11,629 million for the year ended 31 December 2023.

In accordance with the Articles of Association of the Company and applicable UAE Federal Law, AED 1,163 million is transferred to general reserve from the distributable profit of AED 11,629 million.

The transfer to statutory reserve from the distributable profit has been suspended as the reserve has reached 50% of the paid-up share capital. However, during the previous year, in compliance applicable UAE Federal Law, AED 3,091 million, has been credited to statutory reserve, being the excess of agreed value of the Company's shares over the nominal value per share issued to Dubai Holding Group as part consideration for acquisition of Dubai Creek Harbour LLC by the Company.

The Board of Directors of the Company has proposed a cash dividend of 50% of share capital, which is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

The balance of the distributable profit after considering appropriation to general reserve and proposed dividend (subject to approval of the shareholders at the Annual General Meeting) will be transferred to retained earnings. Total equity attributable to owners of the Company as at 31 December 2023 amount to AED 77,724 million prior to proposed dividend.

Outlook for 2024

Looking towards 2024, our strategic brand positioning and robust project pipeline promise sustained growth and success. Our substantial revenue backlog from property sales lays a strong foundation for future growth, reinforced by the robust performance of our recurring revenue businesses. As we move forward, our consistent performance in increasing sales and profitability reflects our strategic focus on developing premium and flourishing communities and destinations. Capitalising on our success, we have recently launched two new destinations in Dubai, namely The Heights Country Club and Grand Club Resort (adjacent to the recently unveiled The Oasis), with a combined development value of AED 96 billion.

We have always been conscious of our responsibility towards the environment and society and have, over the years, taken various initiatives to embed ESG in our operations. We are embarking on a journey to define a comprehensive strategy that underscores our commitment to transforming our business practices for the sustainable future of our planet and the betterment of all our stakeholders.

Transactions with related parties

The consolidated financial statements disclose related party transactions and balances in note 33. All transactions are carried out as part of our normal course of business and in compliance with applicable laws and regulations.

Directors' Report (continued)

Directors

Mr. Jamal Bin Theniyah	(Chairman)
Mr. Ahmed Jawa	(Vice Chairman)
Mr. Mohamed Ali Alabbar	(Managing Director)
Mr. Ahmad Al Matrooshi	(Executive Director)
Mr. Jassim Al Ali	(Director)
H.E. Eng. Sultan Al Mansoori	(Director)
H.E. Helal Almarri	(Director)
Mr. Buti Almulla	(Director)
Ms. Eman Abdulrazzaq	(Director)

Auditors

KPMG were appointed as external auditors of the Group for the year ended 31 December 2023. The Board of Directors has recommended KPMG as the auditors for 2024 for approval by the shareholders at the forthcoming Annual General Meeting.

On behalf of the Board

Jamal Bin Theniyah
Chairman
Dubai, United Arab Emirates
14 March 2024

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Emaar Properties PJSC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Emaar Properties PJSC ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated income statement, consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory 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 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the 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 period. 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.

Revenue recognition on sale of properties and lease rental income

See Note 2.2, 2.4 and 5 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
The Group recognizes revenue on sale of properties in accordance with IFRS 15 "Revenue from Contracts with Customers" and Lease income in accordance with IFRS 16 "Leases". The Group recognises revenue on sale of properties either at point in time or over time depending on the terms of contracts with customers and the relevant laws and regulations of the jurisdiction in which it has entered into the contract with its customers. Revenue recognition on sale of properties was considered a key audit matter due to following key elements of judgement and estimation involved that warrant additional audit focus: • determining whether the performance obligations are satisfied over time or at a point in time; and • estimation of total costs required to meet performance obligations under the contracts with customers and for performance obligations satisfied over time, recognize revenue in proportion to the extent and upon satisfactory fulfillment of performance obligations.	• We have assessed the appropriateness of the revenue recognition accounting policies adopted by the Group and its compliance with International Financial Reporting Standards ("IFRS"). • Obtained an understanding of the revenue process implemented by the Group; • We have performed test of design and implementation of relevant controls; • On a sample basis, we have assessed the contracts for sale of properties to identify the performance obligations of the Group under these contracts and assessed whether these performance obligations are satisfied over time or at a point in time based on the criteria specified under IFRS 15; • On a sample basis, we have assessed the appropriateness of percentage of completion of the construction of properties by reference to costs incurred to date compared to the estimated total costs, where the performance obligation is satisfied over time;

The key audit matter	How the matter was addressed in our audit
Rental income from leased properties is recognised in accordance with the terms of the lease agreed with the tenants on a straight-line basis from the operating lease commencement date over the period of the lease. The lease agreements may include certain clauses relating to (i) lease income computed based on lessee turnover; and (ii) tenant incentives which may affect the amount of rental income recognised during the year. Considering the inherent risks around the existence and accuracy, rental income from leased properties warrants additional audit focus.	• On a sample basis, we have assessed the adequacy of the total estimated cost to complete through the management appointed cost consultant's report, supporting agreements, retrospective evaluation of budgets and other relevant information. We have also evaluated, on a sample basis, the qualification and competence of the management appointed cost consultants; • For costs incurred to date, we have tested, on a sample basis, significant items of cost components by comparing these to the relevant supporting documents including payment certificates to ascertain the existence and accuracy of the costs of work done; • On a sample basis, we tested lease agreements to ensure the existence and accuracy of the revenue recognised during the year and it's compliance with IFRS; and • We assessed the adequacy of the Group's disclosure in relation to the requirements of IFRS 15 and IFRS 16.

Assessment of net realisable value and recoverable amount ("the value") of development properties and investment properties ("the properties") respectively

Refer to notes 2.2, 2.4, 13 and 18 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group holds development properties both for completed projects and projects under construction and investment properties (collectively referred to as "the properties"). Determining the value of these properties is a significant judgement area and is underpinned by a number of assumptions. Development properties are stated at the lower of cost and estimated net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Investment properties are measured at cost less accumulated depreciation and impairment if any. The Group engages professionally qualified external valuers to assess the value for a substantial portion of its properties. This process of assessment of the value involves significant judgement in estimating the underlying assumptions to be applied. A combination of global inflationary pressures, higher interest rates and recent geopolitical events have potential for greater volatility in property markets over the short-to-medium term, requiring management to closely monitor the assumptions and its impact on the value. Assessment of the value requires management to make significant estimates and judgements. This coupled with existence of market volatility, warrants specific audit focus in this area as any error in determining the value could have a material impact on the carrying value of the Group's properties in the consolidated financial statements.	• We have evaluated the qualifications and competence of the management appointed external valuer and read the terms of the engagement of the valuers with the Group, to determine whether there were any matters that might have affected their objectivity or limited the scope of their work; • We involved our real estate valuation specialist, who on a sample basis, assessed valuation methodologies used in the valuation process and challenged assumptions for key estimates of sales price, cost to complete, market rent, future rental income, operating costs, occupancy rate, discount rates, capitalization and terminal yield rates used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors; • On a sample basis, performed audit procedures to assess whether the source data used for determining the net realisable value are reasonable by comparing it to the underlying supporting information; • We have performed sensitivity analysis on the significant assumptions to evaluate the extent of the impact of changes in the key assumptions to the conclusions reached by management; • We have assessed if there are any significant triggers during the audit period that would have a significant impact on the value of the properties; and • We assessed the adequacy of the Group's disclosure in the consolidated financial statements.

Independent Auditors' Report (continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the Integrated Annual Report (including Directors' Report) annual report, but does not include the consolidated financial statements and our auditors' report thereon. We obtained Directors report prior to the date of our Auditors report, and we expect to obtain the remaining Integrated Annual Report after the date of auditor's report.

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 identified above 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 have obtained prior to the date of this auditors' 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.

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 IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021 and for such internal control as management determines 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 has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Group's financial reporting process.

Auditors' 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 auditors' 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 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, 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 auditors' 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.
- 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.

Independent Auditors' Report (continued)

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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Further, as required by UAE Federal Decree Law No. 32 of 2021 we report that for the year ended 31 December 2023:

i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;

ii) 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;

iii) the Group has maintained proper books of account;

iv) the financial information included in the Directors' report is consistent with the books of account of the Group;

v) as disclosed in note 14 to the consolidated financial statements, the Group has purchased shares during the year ended 31 December 2023;

vi) note 33 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted;

vii) 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 2023 any of the applicable provisions of the UAE Federal Law No. 32 of 2021 or in respect of the Company, its Articles of Association, which would materially affect its activities or its consolidated financial position as at 31 December 2023; and

viii) note 6 to the consolidated financial statements discloses the social contributions made during the year ended 31 December 2023.

KPMG Lower Gulf Limited

Fawzi AbuRass
Registration No.: 968
Dubai, United Arab Emirates

Date: 14 March 2024

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2023

	Note	2023 AED'000	2022 AED'000
		(US$ 1.00 = AED 3.673)	
Revenue	5	**26,749,821**	24,925,674
Cost of Revenue	5	**(9,884,497)**	(12,338,362)
GROSS PROFIT		**16,865,324**	12,587,312
Other operating income		**553,239**	419,885
Other operating expenses		**(228,059)**	(160,038)
Selling, general and administrative expenses	6	**(2,785,958)**	(3,521,797)
Depreciation of property, plant and equipment	17	**(616,380)**	(577,091)
Depreciation of investment properties	18	**(780,383)**	(692,077)
Finance income	7(a)	**1,603,570**	1,057,330
Finance costs	7(b)	**(1,039,466)**	(981,389)
Other income, net	8	**2,508,201**	696,685
Share of results of associates and joint ventures	16	**236,975**	214,289
Impairment, net	2.2	**(1,255,499)**	(566,101)
PROFIT BEFORE TAX		**15,061,564**	8,477,008
Income tax expense	9	**(232,414)**	(338,161)
NET PROFIT FOR THE YEAR		**14,829,150**	8,138,847
ATTRIBUTABLE TO:			
Owners of the Parent		**11,629,238**	6,832,049
Non-controlling interests		**3,199,912**	1,306,798
		14,829,150	8,138,847
Earning per share attributable to the owners of the Parent:			
– Basic and diluted earnings per share (AED)	29	**1.32**	0.83

The accompanying notes 1 to 35 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	2023 AED'000	2022 AED'000
	(US$ 1.00 = AED 3.673)	
Net profit for the year	**14,829,150**	8,138,847
Other comprehensive income to be reclassified to income statement in subsequent year:		
Increase in unrealised gains reserve	**5,536**	4,919
Decrease in foreign currency translation reserve	**(995,124)**	(2,436,632)
Net other comprehensive income to be reclassified to income statement in subsequent year	**(989,588)**	(2,431,713)
Other comprehensive income not to be reclassified to income statement in subsequent year:		
Increase in unrealised gains and reserve	**235,259**	309,100
Realised loss on fair value movement through other comprehensive income	**(2,821)**	(386,544)
Net other comprehensive income not to be reclassified to income statement in subsequent year	**232,438**	(77,444)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**14,072,000**	5,629,690
ATTRIBUTABLE TO:		
Owners of the Company	**10,996,070**	4,624,376
Non-controlling interests	**3,075,930**	1,005,314
	14,072,000	5,629,690

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

(US$ 1.00 = AED 3.673)

	Note	31 December 2023 AED'000	31 December 2022 AED'000
ASSETS			
Bank and cash balances	10	**33,854,912**	18,289,188
Trade and unbilled receivables	11	**17,255,072**	22,218,348
Other assets, receivables, deposits, and prepayments	12	**6,765,083**	5,766,493
Development properties	13	**40,997,595**	42,240,585
Assets classified as held for sale	4	**-**	1,029,556
Investments in securities	14	**2,010,632**	2,236,840
Loans to associates and joint ventures	15	**834,281**	1,043,262
Investment in associates and joint ventures	16	**5,629,566**	5,800,926
Property, plant and equipment	17	**9,490,932**	9,883,879
Investment properties	18	**21,493,515**	22,688,259
Intangible assets	19	**219,723**	211,942
Right-of-use assets	20	**845,921**	954,851
TOTAL ASSETS		**139,397,232**	132,364,129
LIABILITIES AND EQUITY			
LIABILITIES			
Trade and other payables	21	**14,975,738**	19,659,764
Advances from customers	22	**22,857,576**	19,563,729
Liabilities directly associated with assets classified as held for sale	4	**-**	496,256
Retentions payable	23	**1,531,601**	1,620,543
Deferred income tax payable	9	**754,315**	922,804
Interest-bearing loans and borrowings	24	**3,098,678**	5,331,227
Sukuk	25	**9,171,882**	9,166,684
Provision for employee' end-of-service benefits	26	**176,424**	177,044
TOTAL LIABILITIES		**52,566,214**	56,938,051
EQUITY			
Equity attributable to owners of the Company			
Share Capital	27	**8,838,790**	8,838,790
Employees' performance share program		**(1,684)**	(1,684)
Reserves	28	**22,532,207**	21,999,630
Retained earnings		**46,354,820**	38,161,738
		77,724,133	68,998,474
Non-controlling interests		**9,106,885**	6,427,604
TOTAL EQUITY		**86,831,018**	75,426,078
TOTAL LIABILITIES AND EQUITY		**139,397,232**	132,364,129

To the best of our knowledge, the consolidated financial statements fairly present, in all material respects, the consolidated financial position, results of operation and consolidated cash flows of the Group as of, and for the year ended 31 December 2023.

The consolidated financial statements were authorised for issue by the Board of Directors and signed on their behalf by:

Director

Director

The accompanying notes 1 to 35 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

(US$ 1.00 = AED 3.673)

	Attributable to the owners of the Company						
	Share capital	Employees' performance share program	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Balance at 1 January 2023	**8,838,790**	**(1,684)**	**21,999,630**	**38,161,738**	**68,998,474**	**6,427,604**	**75,426,078**
Net profit for the year	**-**	**-**	**-**	**11,629,238**	**11,629,238**	**3,199,912**	**14,829,150**
Other comprehensive income for the year	**-**	**-**	**(630,347)**	**(2,821)**	**(633,168)**	**(123,982)**	**(757,150)**
Total comprehensive income for the year	**-**	**-**	**(630,347)**	**11,626,417**	**10,996,070**	**3,075,930**	**14,072,000**
Director's bonus	**-**	**-**	**-**	**(10,350)**	**(10,350)**	**-**	**(10,350)**
Dividend paid to shareholders (refer note 32)	**-**	**-**	**-**	**(2,209,698)**	**(2,209,698)**	**-**	**(2,209,698)**
Dividend and directors' bonus of subsidiaries	**-**	**-**	**-**	**(3,126)**	**(3,126)**	**(413,618)**	**(416,744)**
Movement in non-controlling interest	**-**	**-**	**-**	**-**	**-**	**15,264**	**15,264**
Transfer to reserves (refer note 28)	**-**	**-**	**1,162,924**	**(1,162,924)**	**-**	**-**	**-**
Other movement	**-**	**-**	**-**	**(47,237)**	**(47,237)**	**1,705**	**(45,532)**
Balance as at 31 December 2023	**8,838,790**	**(1,684)**	**22,532,207**	**46,354,820**	**77,724,133**	**9,106,885**	**86,831,018**
Balance as at 1 January 2022	8,179,739	(1,684)	20,046,605	33,468,571	61,693,231	6,502,273	68,195,504
Effect of changes due to restatements	-	-	-	21,406	21,406	(474,983)	(453,577)
Balance as at 1 January 2022 (Restated)	8,179,739	(1,684)	20,046,605	33,489,977	61,714,637	6,027,290	67,741,927
Net profit for the year	-	-	-	6,832,049	6,832,049	1,306,798	8,138,847
Other comprehensive income for the year	-	-	(1,821,129)	(386,544)	(2,207,673)	(301,484)	(2,509,157)
Total comprehensive income for the year	-	-	(1,821,129)	6,445,505	4,624,376	1,005,314	5,629,690
Directors' bonus	-	-	-	(9,199)	(9,199)	-	(9,199)
Dividend paid to shareholders	-	-	-	(1,226,961)	(1,226,961)	-	(1,226,961)
Dividend and directors' bonus of subsidiaries	-	-	-	(7,168)	(7,168)	(605,000)	(612,168)
Transfer to reserves (note 28)	-	-	683,205	(683,205)	-	-	-
Acquisition of DCH (note 2.1, 27 and 28)	659,051	-	3,090,949	-	3,750,000	-	3,750,000
Other movement	-	-	-	152,789	152,789	-	152,789
Balance as at 31 December 2022	8,838,790	(1,684)	21,999,630	38,161,738	68,998,474	6,427,604	75,426,078

The accompanying notes 1 to 35 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Note	(US$ 1.00 = AED 3.673) 2023 AED'000	2022 AED'000
Cash flows from operating activities			
Profit before tax		**15,061,564**	8,477,008
Adjustments for:			
Share of results of associates and joint ventures	16	**(236,975)**	(214,289)
Depreciation	17, 18, 20	**1,527,090**	1,393,254
Amortisation of intangible assets	19	**3,610**	7,289
Provision for end-of-service benefits, net		**(620)**	10,758
Gain on sale of interest in subsidiary	8	**(699,884)**	-
Loss on disposal of property, plant and equipment		**4,991**	1,466
Gain on disposal of investment properties		**-**	(8,325)
Finance costs	7(b)	**1,039,466**	981,389
Finance income	7(a)	**(1,603,570)**	(1,057,330)
Provision for doubtful receivable and advances	6	**61,805**	438,626
Impairment on non-financial assets	2.2	**2,011,495**	916,117
Gain on restructuring of an associate	16	**-**	(233,406)
Cash from operations before working capital changes:		**17,168,972**	10,712,557
Working capital changes:			
Trade and unbilled receivables		**5,143,446**	(815,719)
Other assets, receivables, deposits and prepayments		**(1,088,384)**	628,264
Development properties		**293,029**	4,949,308
Advances from customers		**3,293,847**	4,137,613
Trade and other payables	2.2	**(4,886,261)**	(550,292)
Retentions payable		**(88,942)**	(86,961)
Income tax, net		**(4,460)**	(32,811)
Net cash flows from operating activities		**19,831,247**	18,941,959
Cash flows from investing activities			
Purchase of securities	14	**(1,503,112)**	(2,621,800)
Proceeds from disposal of securities		**1,712,995**	3,074,186
Finance income received		**1,298,749**	523,046
Dividends received from associates and joint ventures	16	**397,287**	128,770
Repayment of loans to and investments in associates and joint ventures, net		**220,029**	55,624
Amounts incurred on investment properties		**(594,556)**	(442,858)
Proceeds from disposal of investment properties		**-**	109,925
Amounts incurred on property, plant and equipment		**(578,407)**	(960,332)
Proceeds from disposal of property, plant and equipment		**307**	2,357
Deposits maturing after three months (including deposits under lien)		**(7,482,084)**	103,199
Amounts incurred on intangible assets	19	**(11,572)**	(3,977)
Acquisition of Dubai Creek Harbour	2.1	**-**	(2,500,000)
Proceeds from sale of assets held for sale	4	**1,231,190**	-
Net cash flows used in investing activities		**(5,309,174)**	(2,531,860)
Cash flows from financing activities			
Proceeds from interest-bearing loans and borrowings	24	**1,549,777**	10,816,461
Repayment of interest-bearing loans and borrowings	24	**(3,751,350)**	(13,961,358)
Dividends paid (including dividends of subsidiaries)		**(2,906,877)**	(1,831,961)
Finance costs paid		**(920,841)**	(809,208)
Directors' bonus paid (including Directors' bonus of subsidiaries)		**(14,250)**	(16,367)
Funds invested by minority shareholders-net		**15,264**	-
Payment of lease liabilities	20	**(157,261)**	(167,995)
Net cash flows used in financing activities		**(6,185,538)**	(5,970,428)
Increase in cash and cash equivalents		**8,336,532**	10,439,671
Net foreign exchange difference		**(257,015)**	(358,498)
Cash and cash equivalents at the beginning of the year		**17,545,056**	7,463,883
Cash and cash equivalents at the end of the year	10	**25,624,573**	17,545,056

The accompanying notes 1 to 35 form an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at 31 December 2023

1 Domicile and Activities

Emaar Properties Public Joint Stock Company (the "Company") was established as a public joint stock company by Ministerial Decree number 66 in the year 1997. The Company was established on 23 June 1997 and commenced operations on 29 July 1997. The Company and its subsidiaries constitute the Group (the "Group"). The Company's registered office is at P.O. Box 9440, Dubai, United Arab Emirates ("UAE"). The shares of the Company are traded on the Dubai Financial Market.

The principal activities of the Group are property investment, development and development management, shopping malls and retail, hospitality, property management and utility services and investments in providers of financial services.

The consolidated financial statements were authorised for issue on 14 March 2024.

2.1 Basis of Preparation

The consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB") and applicable requirements of the UAE Federal Decree Law No. (32) of 2021.

The consolidated financial statements have been prepared in United Arab Emirates Dirhams (AED), which is the Company's functional and presentation currency, and all values are rounded to the nearest thousand except where otherwise indicated. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The consolidated financial statements have been prepared on a historical cost basis except for derivative financial instruments, financial assets at fair value through OCI ("FVOCI") and profit or loss ("FVTPL") that have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The preparation of consolidated financial statements on the basis described above requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which for the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Certain comparative amounts have been reclassified to conform to the presentation used in these consolidated financial statements.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and entities (including special purpose entities) controlled by the Group. Control is achieved where all the following criteria are met:

(a) the Group has power over an entity (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);

(b) the Group has exposure, or rights, to variable returns from its involvement with the entity; and

(c) the Group has the ability to use its power over the entity to affect the amount of the Company's returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. 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.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Subsidiaries

Subsidiaries are fully consolidated from the date of acquisition or incorporation, being the date on which the Group obtains control and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Non-controlling interests (NCI) are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

If the Group losses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences, recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in the consolidated income statement; and
- Reclassifies the Group's share of components previously recognised in other comprehensive income to the consolidated income statement or retained earnings, as appropriate.

Details of the Company's significant subsidiaries as at 31 December 2023 are as follows:

Subsidiary	Place of incorporation	Principal activities	Percentage of effective interest
Emaar Development PJSC and its subsidiaries	UAE	Property development and development management	80.16%
Emaar Malls Management LLC and its subsidiaries	UAE	Retail development and management of shopping malls	100.00%
Dubai Creek Harbour LLC and its subsidiaries	UAE	Property development and development management	100.00%
Emaar Hospitality Group LLC	UAE	Providing hospitality services	100.00%
Emaar Hotels & Resorts Group	UAE	Providing hospitality services	100.00%
Emaar Entertainment LLC	UAE	Leisure and entertainment activities	100.00%
Dubai Hills Retail LLC	UAE	Property development and management of leasing	50.00%
Emaar Misr for Development SAE and its subsidiaries	Arab Republic of Egypt ("Egypt")	Property investment and development	88.74%
Emaar India Limited and its subsidiaries	India	Property investment and development	77.01%
Emaar Libadiye Gayrimenkul Gelistirme A.S.	Republic of Turkey ("Turkey")	Property investment and development, development of retail, shopping malls and hospitality assets	100.00%
Emaar Middle East LLC	Kingdom of Saudi Arabia ("KSA")	Property investment and development	100.00%

a) During October 2013, the Company and Dubai Holding Group (DH) entered into a joint development agreement (JDA) to develop Dubai Creek Harbour ('DCH'), a residential, retail and commercial real estate development. Pursuant to the JDA, Emaar was to operate and manage the business of DCH.

In 2022, Emaar and DH agreed for the acquisition of the DCH development by Emaar, which was announced on 11 August 2022, for a consideration of AED 7.5 billion, payment of which was as follows:

1. Cash consideration of AED 3,750 million, of which AED 2,500 million was paid on closing of the transaction in December 2022 and balance AED 1,250 million to be paid in a deferred manner over a period of three years of which AED 417 million was paid in the current year (also refer note 21).
2. Issue of 659,050,967 new Emaar shares, determined based on closing share price of AED 5.69 as at 10 August 2022 to settle the balance consideration of AED 3,750 million (shares issued in December 2022).

In addition to the above, balances of AED 7.49 billion, representing receivable and advance against investment, were also considered as purchase consideration and an amount of AED 293 million, representing the impact of discounting of receivable from DCH was reversed as finance income.

The conditions precedent for the aforesaid transaction were satisfied on 8 December 2022 and the Group consolidated DCH with effect from and as at 31 December 2022. The transaction was an asset acquisition as the definition of business is not met against the principles of IFRS 3 Business Combinations. The allocation of the aggregate purchase consideration over various financial and non-financial assets acquired and liabilities assumed as part of the acquisition of DCH as at 31 December 2022, is presented below:

	2022 AED'000
Allocation of purchase consideration	
Non-financial assets	
Development properties (including undeveloped land parcels, completed and under-development projects)	**9,780,819**
Property, plant and equipment	**1,187,420**
Investment properties	**186,433**
Non-financial assets – Total (i)	**11,154,672**
Cash and cash equivalent – (ii)	**2,362,109**
Other financial assets – net (iii)	**1,476,000**
Aggregate purchase consideration (i + ii + iii)	**14,992,781**

The allocation of purchase consideration to identifiable assets and liabilities was based on relative fair values at the date of acquisition, the valuation approach is detailed in notes 13, 17 and 18.

Associates and joint ventures

Associates are companies in which the Group has significant influence, but not control, over the financial and operating policies even if the shareholding is 50% or more. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities even if the shareholding is 50% or more.

The Group's investment in associates and joint ventures are accounted for using the equity method of accounting. Under the equity method of accounting, investments in associates and joint ventures are carried in the consolidated statement of financial position at cost, plus post-acquisition changes in the Group's share of net assets of the associate and joint venture companies, less any impairment in value.

The consolidated income statement reflects the Group's share of results of its associates and joint ventures. Unrealised gains resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Special purpose entities

Special purpose entities are entities that are created to accomplish a narrow and well-defined objective. The financial information of special purpose entities is included in the Group's consolidated financial statements where the substance of the relationship is that the Group controls the special purpose entity and hence, they are accounted for as subsidiaries.

2.2 Key Accounting Judgements, Estimates and Assumptions

The preparation of these consolidated financial statements requires management 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 at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Estimates and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

Judgments

The key judgements and estimates and assumptions that have a significant impact on the consolidated financial statements of the Group are discussed below:

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

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 of recognising revenue. The Group has assessed that based on the sale and purchase agreements entered into with customers and the provisions of relevant laws and regulations, where contracts are entered into to provide real estate assets to customer, the Group does not create an asset with an alternative use to the Group and usually has an enforceable right to payment for performance completed to date. In these circumstances the Group recognises revenue over time. For some geographies where this is not the case, revenue is recognised at a point in time.

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 assess the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component in the contract 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 Revenue from Contracts with Customers whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

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 asset that is the subject of the contract is transferred to 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. The title will be transferred to the customer only upon 100% collection, resulting in a low risk of default and loss thereof.

Transfer of real estate assets from property, plant and equipment to development properties

The Group sells real estate assets in its ordinary course of business. When the real estate assets which were previously classified as property, plant and equipment are identified for sale in the ordinary course of business, then the assets are transferred to development properties at their carrying value at the date of identification. Sale proceeds from such assets are recognised as revenue in accordance with IFRS 15.

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.

Classification of investment properties

The Group determines whether a property qualifies as investment property in accordance with IAS 40 Investment Property. In making its judgement, the Group considers whether the property generates cash flows largely independently of the other assets held by the Group. The Group has determined that hotels owned by the Group are to be classified as part of property, plant and equipment rather than investment properties since the Group also operates these assets.

Operating lease - Group as lessor

The Group has entered into commercial and retail property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

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.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Valuation of investment properties

The Group hires the services of external professionally qualified valuers to obtain estimates of the market value of investment properties using recognised valuation techniques for the purposes of their impairment review and disclosures in the consolidated financial statements.

Hyperinflation

Turkey became a hyper inflationary economy in 2022. Management have carried out a detailed assessment of the impact of applying IAS 29 Financial Reporting in Hyper inflationary Economies and noted that there is no impact of applying IAS 29 on its operations in Turkey, as the functional and presentation currency of the subsidiaries in Turkey is US Dollars.

Estimations and assumptions

Consolidation of subsidiaries

The Group has evaluated 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 has evaluated, 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.

Impairment of trade, unbilled receivables and other receivables

An estimate of the collectible amount of trade, unbilled and other receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied based on expected credit losses on such receivables.

Useful lives of property, plant and equipment, investment properties and intangible assets

The Group's management determines the estimated useful lives of its property, plant and equipment, investment properties and intangible assets for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation/amortisation method to ensure that the method and period of depreciation/amortisation are consistent with the expected pattern of economic benefits from these assets.

Recognition of forfeiture income from sales cancellations

Upon termination or cancellation of contracts with customers, amounts received from customers become refundable subject to forfeiture clauses contained in the original sale contract documents and as per local real estate regulations. Forfeited amounts are carried as liability in the consolidated statement of financial position upon cancellation/termination of the contract. Amounts forfeited on cancelled/terminated property units (net of customer refunds, where applicable) are subsequently recognised in the consolidated income statement based on management's judgement on whether the Group expects any future/continuing association with the erstwhile customer whose amounts are being forfeited.

Measurement of progress when revenue is recognised over time

The Group has elected to apply the input method to measure the progress of performance obligations where revenue is recognised over time. 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 the performance obligation provides the best reference of revenue actually earned. In applying the input method, the Group estimates the cost to complete the projects in order to determine the amount of revenue to be recognised.

Cost to complete the projects and Project cost accruals

The Group estimates the cost to complete the projects and project cost accruals in order to determine the cost attributable to revenue being recognised. These estimates include the value attributable to work done till date, cost of providing infrastructure, potential claims by contractors as evaluated by the project consultant and the cost of meeting other contractual obligations to the customers.

During the current year, management has assessed the project accruals of certain projects and accordingly has written back AED 2,265 million of project cost accruals which are fully completed and wherein final settlement

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

is either obtained or management estimates no further contractor claims. Additionally, due to revisions in the master plan of a project which were finalised in the current year, management has written back accruals related to infrastructure costs amounting to AED 838 million. Also refer note 5 and note 13.

Taxes

The Group is subject to income and capital gains taxes in certain jurisdictions. Significant judgement is required to determine the total provision for current and deferred taxes. The Group established provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provision is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretations may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Group companies.

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.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

Considering continued higher inflationary environment and currency devaluation in one of the Company's international operations, during the current year management has reassessed value in use of investment property and property, plant & equipment thereon and have recorded a net impairment charge of AED 1,109 million in investment property and AED 146 million on property, plant & equipment. The estimate of value in use for the recoverable amount was determined using a pre-tax discount rate of 16%, a terminal yield of 7% and growth rate (rent increase rate) for Turkey is 6%.

Development properties are stated at the lower of cost and estimated net realisable value. The cost of work-in-progress comprises construction costs and other related direct costs. Net realisable value is the estimated selling price in the ordinary course of business, less cost of completion and selling expenses. During the current year, an impairment of AED 756 million (2022: AED 276 million) is recorded for certain land parcels in few international locations where estimated net realisable value was lower than their carrying value. (refer note 5 and 13)

Fair value measurement

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.

The external valuer report on the valuation of the Group's development properties has drawn attention to the fact that a combination of global inflationary pressures, higher interest rates and recent geopolitical events have heightened the potential for greater volatility in property markets over the short-to-medium term, requiring management to closely monitor the valuation and track how market participants respond to current market volatility.

Management has critically assessed asset valuations and, in the current environment, are satisfied with the assumptions adopted and valuations reported. Management will continue to closely monitor the impact of this evolving situation to assess its impact to the Group, if any.

2.3 Changes in the Accounting Policies and Disclosures

A number of new standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted, however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements. The following new or amended standards that are adopted in annual periods beginning on 1 January 2023:

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

(a) New standards, interpretations and amendments adopted by the Group

	Effective date
Definition of Accounting Estimate, Amendments to IAS 8	1 January 2023
IFRS 17 Insurance Contracts	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 ad IFRS Practice Statement 2)*	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	1 January 2023
International tax reform – Pillar Two Model Rule – Amendments to IAS 12)	23 May 2023

* The amendments to IAS 1 and IFRS Practice Statement 2 require the disclosure of material rather than significant accounting policies. The amendments did not result in any changes to the accounting polices themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

The other amendments or improvements has no impact on the consolidated financial statements of the group.

(b) Standards, amendments and interpretations in issue but not effective

The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

Forthcoming requirements	Effective date
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 January 2024
Non-current liability with covenants – Amendments to IAS 1 and Classification of Liabilities as Current and Non-current (Amendments to IAS 1)	1 January 2024
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures*	1 January 2024
Sale or Contribution of Assets between an Investor its Associates or Joint Venture (Amendments to IFRS 10 and IAS 28)	Effective date deferred indefinitely
Supplier Finance Arrangements – Amendments to IAS 7 & IFRS 7	1 January 2024
Lack of Exchangeability – Amendments to IAS 21	1 January 2025

* Effective upon adoption by applicable regulatory authority.

The Group does not expect the adoption of the above new standards, amendments and interpretations to have a material impact on the future consolidated financial statements of the Group.

2.4 Summary of Material Accounting Policies

Revenue recognition

Revenue from contracts with customers

The Group recognises revenue from contracts with customers based on a five step model as set out in IFRS 15 Revenue from contracts with customers:

Step 1. Identify the 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 the 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 will allocate 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 entity satisfies a performance obligation.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or

2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, 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 asset based 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. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the consolidated income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

Lease to buy scheme

Sales under the lease to buy scheme are accounted for as follows:

- Rental income during the period of lease is accounted for on a straight-line basis until such time the lessee exercises its option to purchase;
- When the lessee exercises its option to purchase, a sale is recognised in accordance with the revenue recognition policy for sale of property as stated above; and
- When recognising the sale, revenue is the amount payable by the lessee at the time of exercising the option to acquire the property.

Revenue recognition for turnover rent

Income from turnover rent is recognised based on the 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.

Development services

Revenue from rendering of development management services is recognised when the outcome of the transaction can be estimated reliably, by reference to the stage of completion of the development obligation at the reporting date. Where the outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered. Revenue is recognised overtime.

Rental income from lease of investment property

Rental income arising from operating leases on investment properties is recognised, net of discount, in accordance with the terms of lease contracts over the lease term on a straight-line basis, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset.

Customer loyalty programme

The Group operates a loyalty points programme, 'U by Emaar', which allows customers to accumulate points when they spend in any of the Group's hotel or leisure units. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer. When estimating the stand-alone selling price of the loyalty points, the Group considers the likelihood that the customer will redeem the points. The Group anticipates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue.

Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets or investment property, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held for sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated and any equity-accounted investee is no longer equity accounted.

Borrowing 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 connection with the borrowing of funds.

All other borrowing costs are recognised in the consolidated income statement in the year in which they are incurred.

Interest income

Interest income is recognised as the interest accrues using the effective interest method, under which the rate used exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

Income tax

Taxation is provided in accordance with the relevant fiscal regulations of the countries in which the Group operates.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year, using tax rates enacted or substantially enacted as at the reporting date, and any adjustments to the tax receivable/payable in respect of prior years.

Income tax relating to items recognised directly in other comprehensive income or equity is recognised directly in other comprehensive income or equity and not in the consolidated income statement.

Deferred income tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted as at the reporting date.

Deferred income tax assets are recognised for all deductible temporary differences and carry-forward of unused tax assets and unused tax losses 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 assets 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 ventures, 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 income 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 income 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 assets to be recovered.

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 liability is settled, based on tax rates that have been enacted at the reporting date.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

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.

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.

UAE Federal Decree-Law No (47) of 2022 on the Taxation of Corporations and Businesses:

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ('the CT Law') to enact a Federal corporate tax ('CT') regime in the UAE. The CT Law will be effective for financial years beginning on or after 1 June 2023. Decision No. 116 of 2022 specifies the threshold of income (as AED 375,000) over which a corporate tax of 9% would apply and accordingly, the CT Law is now considered to be substantively enacted. For the Group, current taxes shall be accounted for as appropriate in the financial statements for the period beginning 1 January 2024. In accordance with IAS 12 Income Taxes, the Group has assessed the deferred tax implications for the year ended 31 December 2023 and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions and ministerial decisions (especially with regard to transition rules), it has been concluded that deferred tax implications are not material.

Global Minimum Top-up Tax

To address concerns about uneven profit distribution and tax contributions of large multinational corporations, various agreements have been reached at the global level, including an agreement by over 135 jurisdictions to introduce a global minimum tax rate of 15%. In December 2021, the Organisation for Economic Co-operation and Development (OECD) released a draft legislative framework, followed by detailed guidance released in March 2022, that is expected to be used by individual jurisdictions that signed the agreement to amend their local tax laws. As at 31 December 2023, the jurisdiction in which the Group operates has not enacted or substantively enacted the tax legislation related to the top-up tax. Management is closely monitoring the progress of the legislative process and as at 31 December 2023, the Group did not have sufficient information to determine the potential quantitative impact.

Property, plant and equipment

Property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful lives as follows:

Leasehold improvements	2 - 15 years
Sales centres (included in land and buildings)	1 - 10 years
Buildings	10 - 45 years
Computers and office equipment	2 - 5 years
Plant, machinery and heavy equipment	3 - 20 years
Motor vehicles	3 - 5 years
Furniture and fixtures	2 - 10 years
Leisure, entertainment and other assets	2 - 25 years

No depreciation is charged on land and capital work-in-progress. The useful lives, depreciation method and residual values are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the consolidated income statement as the expense is incurred.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of property, plant and equipment may not be recoverable. Whenever the carrying amount of property, plant and equipment exceeds their recoverable amount, an impairment loss is recognised in the consolidated income statement. The recoverable amount is the higher of fair value less costs to sell of property, plant and equipment and the value in use. The fair value less costs to sell is the amount obtainable from the sale of property, plant and equipment in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of property, plant and equipment and from its disposal at the end of its useful life.

Reversal of impairment losses other than goodwill impairment recognised in the prior years are recorded when there is an indication that the impairment losses recognised for the property, plant and equipment no longer exist or have reduced.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term up to 35 years. Right-of-use assets are subject to impairment.

Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is charged on a straight-line basis over the estimated useful lives as follows:

Buildings	10 - 45 years
Furniture, fixtures and others	4 - 10 years
Plant and equipment	3 - 10 years

No depreciation is charged on land and capital work-in-progress.

The useful lives, depreciation method and residual value method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Properties are transferred from investment properties to development properties when and only when, there is a change in use, evidenced by commencement of development with a view to sell. Such transfers are made at the carrying value of the properties at the date of transfer.

The Group determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carrying amount of an investment property exceeds their recoverable amount, an impairment loss is recognised in the consolidated income statement. The recoverable amount is the higher of investment property's fair value less cost to sell and the value in use.

Reversal of impairment losses recognised in the prior years is recorded when there is an indication that the impairment losses recognised for the investment property no longer exist or have reduced.

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. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the estimated useful 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 consolidated income statement.

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

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Amortisation is charged on a straight-line basis over the estimated useful lives as follows:

Customers relationship	5 years
Software	3 years

Goodwill and Brand is not amortised.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

Development properties

Properties acquired, constructed or in the course of construction for sale in the ordinary course of business are classified as development properties and are stated at the lower of cost or net realisable value. Cost includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction; and Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sale.

The cost of development properties recognised in the consolidated income statement on sale is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Common infrastructure cost is allocated to various projects and forms part of the estimated cost to complete a project in order to determine the cost attributable to revenue being recognised. The development span of some of the development properties is estimated to be over 10 years.

The management reviews the carrying values of the development properties on an annual basis.

Inventories

Inventories represent consumables and other goods relating to hospitality and retail business segments of the Group. Inventories are stated at the lower of cost and net realisable value with due allowance for any obsolete or slow-moving items.

Costs are those expenses incurred in bringing each product to its present location and condition on a weighted average cost basis. Net realisable value is based on estimated selling price less any further costs expected to be incurred on disposal or completion.

Investment in associates and joint ventures

The consolidated income statement reflects the Group's share of the results of operations of its associates and joint ventures after tax and non-controlling in the subsidiaries of the associate. Where there has been a change recognised directly in the other comprehensive income or equity of an associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of comprehensive income or the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the interest in the associate or joint venture.

The financial statement of the associates and joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associates or joint ventures. At each reporting date, the Group determines whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture, and its carrying value and recognises the impairment losses in the consolidated income statement.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any differences between the carrying amount of the associate or joint venture upon loss of

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

significant influence and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated income statement. When the remaining investment in joint venture constitutes significant influence, it is accounted for as an investment in associate.

Financial assets

All financial assets are recognised and derecognised on trade date when the purchase or sale of a financial asset is made under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at cost, plus transaction costs, except for those financial assets classified as at fair value through other comprehensive income or profit or loss, which are initially measured at fair value. Trade receivables are initially recognised when they are originated. Trade and unbilled receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the close of business on the reporting date. If quoted market prices are not available, reference can also be made to broker or dealer price quotations.

The fair value of floating rate and overnight deposits with credit institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest-bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the reporting date.

Classification of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

For the purposes of classifying financial assets, an instrument is an 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer (under IAS 32: Financial Instruments: Presentation) except for certain non-derivative puttable instruments presented as equity by the issuer. All other non-derivative financial assets are 'debt instruments'.

Equity investments

All financial assets that are equity investments are measured at fair value either through other comprehensive income or through profit or loss. This is an irrevocable choice that the Group has made on adoption of IFRS 9 or will make on subsequent acquisition of equity investments unless the equity investments are held for trading, in which case, they must be measured at fair value through profit or loss. Gain or loss on disposal of equity investments is not recycled. Dividend income for all equity investments is recorded through the consolidated income statement when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through P&L and OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments as financial assets measured at fair value through other comprehensive income.

Debt instruments

Debt instruments are also measured at fair value through other comprehensive income (OCI) unless they are classified at amortised cost. They are classified at amortised cost only if:

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

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances and short-term deposits with an original maturity of three months or less, net of outstanding facilities payable on demand.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Trade and unbilled receivables

Trade receivables are stated at original invoice amount (unless there is a significant financing component) less expected credit losses. When a trade receivable is uncollectible, it is written off against provision for doubtful debts. Subsequent recoveries of amounts previously written off are credited to the consolidated income statement.

Services rendered but not billed at the reporting date are accrued as per the terms of the agreements as unbilled receivables.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange component forms part of its fair value gain or loss. For financial assets classified as at fair value through profit or loss, the foreign exchange component is recognised in the consolidated income statement. For financial assets designated at fair value through other comprehensive income any foreign exchange component is recognised in the consolidated income statement and other comprehensive income. For foreign currency denominated debt instruments classified at amortised cost, the foreign exchange gains and losses are determined based on the amortised cost of the asset and are recognised in the 'other gains and losses' line item in the consolidated income statement.

Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement, and
- The Group has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset, or
  - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right 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 the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. 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.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECL") for all debt instruments and contract assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

For trade and unbilled receivables and other receivables, the Group applies a simplified approach in calculating ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected credit losses are recognised in the consolidated income statement.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

The Group consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that a non-financial asset (other than inventories, contract assets and deferred tax assets) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the assets recoverable amount.

An asset recoverable amount is the higher of an assets or Cash generating units (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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 or CGU. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded entities or other available fair value indicators.

Impairment losses are recognised in the consolidated income statement in those expense categories consistent with the function of the impaired asset. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash generating units recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated income statement.

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.

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.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate. The average rate applied is 4% to 8%.

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 method. Gains and losses are recognised in the consolidated income statement when the liabilities are derecognised as well as through the amortisation process.

Sukuk

The sukuk are stated at amortised cost using the effective profit rate method. 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. Any directly attributable transaction costs are allocated to the liability component.

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.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in consolidated income statement.

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.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed (except if related to issue of debt or equity).

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 at fair value on the date of acquisition. 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. Subsequent changes to the fair value of the contingent consideration which is deemed to be

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

an asset or liability will be recognised in accordance with IFRS 9: Financial Instruments in the consolidated statement of comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

If the Company acquires an asset or a group of assets (including any liabilities assumed) that does not constitute a business, then the transaction is outside the scope of IFRS 3 because it cannot meet the definition of a business combination. Such transactions are accounted for as asset acquisitions in which the cost of acquisition is generally allocated between the individual identifiable assets and liabilities in the Group based on their relative fair values at the date of acquisition. They do not give rise to goodwill or a gain on a bargain purchase. In cases when an entity acquires a group of assets that does not constitute a business, and the sum of the individual fair values of the identifiable asset and liabilities differs from the transaction price, the Group may include identifiable assets and liabilities initially measured both at cost and at an amount other than cost.

The Company may acquire a group of assets and assume liabilities in an asset acquisition that require valuation reports to complete the allocation of cost. The measurement and allocation of cost in an asset acquisition are completed at the date of recognition of the assets acquired and liabilities assumed, if there are any. Unlike for a business combination, there is no measurement period for an asset acquisition. This is regardless of the size or complexity of the acquisition.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of net identifiable tangible and intangible assets acquired and liabilities assumed. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the consolidated income statement. 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.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Goodwill is tested for impairment annually as at the reporting date and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit to which the goodwill relates. When the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the consolidated income statement. Impairment losses relating to goodwill cannot be reversed in future periods.

End-of-service benefits

The Group provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

With respect to its eligible UAE and GCC national employees, the Group makes contributions to a pension fund established by the UAE General Pension and Social Security Authority calculated as a percentage of the employees' salaries. The Group's obligations are limited to these contributions, which are expensed when due.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation 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 the amount can be reliably estimated. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Foreign currency translations

The consolidated financial statements are presented in AED which is the functional currency of the Company. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are recorded in the functional currency at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. All differences are taken to the consolidated income statement. 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 closing rate.

The assets and liabilities of foreign operation including goodwill and fair value adjustments arising on acquisition, are translated into AED at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into AED at the exchange rates at the dates of the transactions. Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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.

Fair value measurement

The Group measures financial instruments, such as investment in securities and hedges, 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 transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or the most advantageous market for the asset or liability.

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.

For investments traded in an active market, fair value is determined by reference to quoted market bid prices.

The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for items with similar terms and risk characteristics.

For unquoted equity investments, fair value is determined by reference to the market value of a similar investment or is based on the expected discounted cash flows.

The fair value of forward foreign exchange contracts is calculated by reference to current forward exchange rates with the same maturity.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Fair value of interest rate swap contract is determined by reference to market value for similar instruments.

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 – Fair value measurements are those derived from quoted prices in an active market (that are unadjusted) for identical assets or liabilities.
- Level 2 – Fair value measurements are those derived from 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).
- Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3 Segment Information

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

Business segments

Business segment is the primary segment of the Group. For management purposes, the Group is organised into three major segments, namely, real estate (develop, sell and manage condominiums, villas, commercial units and plots of land), leasing, retail and related activities (develop, lease and manage malls, retail, commercial and residential spaces) and hospitality (develop, own and/or manage hotels, serviced apartments and leisure activities). Other segments include businesses that individually do not meet the criteria for a reportable segment as per IFRS 8 Operating Segments. These businesses are property management and utility services and investments in providers of financial services.

Revenue from sources other than property sales, leasing, retail and related activities and hospitality are included in other operating income.

Geographic segments

The Group is currently operating in number of countries outside the UAE and is engaged in development of several projects which have significant impact on the Group results. The domestic segment includes business activities and operations in the UAE and the international segment includes business activities and operations outside the UAE (including export sales).

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Business segments

The following tables include revenue, profit and certain assets and liabilities information regarding business segments as at and for the years ended 31 December 2023 and 2022.

	Real estate AED'000	Leasing, retail and related activities AED'000	Hospitality AED'000	Others AED'000	Total AED'000
2023:					
Revenue					
Revenue from external customers					
- Over a period of time	14,679,906	5,674,482	734,678	-	21,089,066
- Point in time	3,153,440	1,450,445	1,056,870	-	5,660,755
	17,833,346	7,124,927	1,791,548	-	26,749,821
Results					
Profit before tax before impairment, (a) and (b)	10,023,797	5,782,358	755,601	517,088	17,078,844
Impairment, net	-	(1,109,246)	(146,253)	-	(1,255,499)
(a) Unallocated selling, general and administrative expenses					(836,188)
(b) Unallocated finance income, net					74,407
Profit before tax for the year					15,061,564
Other segment information					
Capital expenditure (Property, plant and equipment and investment properties)	150,446	647,807	312,234	64,887	1,175,374
Depreciation					
(Property, plant and equipment, right-of-use assets and investment properties)	235,872	936,554	269,428	85,236	1,527,090
Finance costs	837,160	150,804	50,428	1,074	1,039,466
Finance income	1,559,775	28,492	11,212	4,091	1,603,570
Assets and liabilities:					
Investments in associates and joint ventures	3,167,399	160,412	579,814	1,721,941	5,629,566
Other segment assets	98,210,360	27,294,018	6,471,576	1,791,712	133,767,666
Total segment assets	101,377,759	27,454,430	7,051,390	3,513,653	139,397,232
Total segment liabilities	43,618,981	6,032,380	2,274,000	640,853	52,566,214

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

	Real estate AED'000	Leasing, retail and related activities AED'000	Hospitality AED'000	Others AED'000	Total AED'000
2022:					
Revenue					
Revenue from external customers					
- Over a period of time	11,564,854	4,317,473	589,497	-	16,471,824
- Point in time	4,703,761	2,780,313	969,776	-	8,453,850
	16,268,615	7,097,786	1,559,273	-	24,925,674
Results					
Profit before tax before impairment/write back, (a) and (b)	6,840,378	3,252,657	604,471	470,496	11,168,002
(Impairment)/write back	(1,290,952)	23,304	(406)	-	(1,268,054)
(a) Unallocated selling, general and administrative expenses					(1,848,715)
(b) Unallocated finance income, net					425,775
Profit before tax for the year					8,477,008
Assets and liabilities:					
Investments in associates and joint Ventures	3,422,638	180,204	533,878	1,664,206	5,800,926
Other segment assets	87,586,525	30,090,631	6,962,305	1,923,742	126,563,203
Total segment assets	91,009,163	30,270,835	7,496,183	3,587,948	132,364,129
Segment liabilities	47,023,161	6,893,665	2,257,995	763,230	56,938,051
Other segment information					
Capital expenditure (property, plant and equipment, and investment properties)	1,140,145	991,960	667,597	77,079	2,876,781
Depreciation					
(property, plant and equipment, investment properties and right-of-use assets)	258,488	874,299	196,431	64,036	1,393,254
Finance costs	771,663	158,563	50,419	744	981,389
Finance income	1,045,056	3,885	7,607	782	1,057,330

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Geographic segments

The following tables include revenue and certain asset information regarding geographic segments as at and for the years ended 31 December 2023 and 2022.

	Domestic AED'000	International AED'000	Total AED'000
2023:			
Revenue			
Revenue from external customers			
- Over a period of time	**20,758,253**	**330,813**	**21,089,066**
- Point in time	**2,266,967**	**3,393,788**	**5,660,755**
	23,025,220	**3,724,601**	**26,749,821**
Assets			
Right-of-use	**560,015**	**285,906**	**845,921**
Investments in associates and joint ventures	**3,921,959**	**1,707,607**	**5,629,566**
Other segment assets	**109,412,463**	**23,509,282**	**132,921,745**
Total assets	**113,894,437**	**25,502,795**	**139,397,232**
Total liabilities	**40,537,556**	**12,028,658**	**52,566,214**
Other segment information			
Capital expenditure (property, plant and equipment and investment properties)	**799,371**	**376,003**	**1,175,374**

	Domestic AED'000*	International AED'000	Total AED'000
2022:			
Revenue			
Revenue from external customers			
- Over a period of time	16,103,590	368,234	16,471,824
- Point in time	2,936,154	5,517,696	8,453,850
	19,039,744	5,885,930	24,925,674
Assets			
Right-of-use assets	633,749	321,102	954,851
Investments in associates and joint ventures	3,955,362	1,845,564	5,800,926
Other segment assets	98,102,136	27,506,216	125,608,352
Total assets	102,691,247	29,672,882	132,364,129
Total Liabilities	43,089,568	13,848,483	56,938,051
Other segment information			
Capital expenditure (property, plant and equipment and investment properties)	2,409,640	467,141	2,876,781

4 Sale of a Subsidiary

The shareholders of the Company in the general meeting held on 21 September 2022 had approved to sell the entire share capital of a wholly owned subsidiary of the Group, Namshi Holding Limited ('Namshi') to Noon AD Holdings Limited ("Noon"), a related party of the Group, for a cash consideration of AED 1,231,190 thousand (US$ 335,200 thousand). The transaction completion was subject to satisfactory completion of certain conditions precedent, which were not satisfied as at 31 December 2022. Accordingly, the assets and liabilities pertaining to Namshi as at 31 December 2022 were classified as held for sale and measured at lower of their carrying amount and fair value, less cost to sell.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Conditions precedent for transaction completion were satisfactorily completed during the current period on 12 February 2023 and the ownership of Namshi was transferred to Noon. Accordingly, the Group recorded a gain of AED 699,884 thousand on sale of its investment in Namshi.

The major classes of assets and liabilities (after Group elimination) are as follows:

	12 February 2023 AED'000 (Unaudited)	31 December 2022 AED'000
Assets		
Bank balances and cash	**29,865**	46,359
Trade and unbilled receivables	**97,500**	65,081
Other assets, receivables, deposits and prepayments	**520,751**	380,977
Property, plant and equipment	**4,087**	4,160
Intangible assets	**529,312**	529,312
Right-of-use assets	**1,776**	3,667
Total assets	**1,183,291**	1,029,556
Liabilities		
Trade and other payables	**582,771**	418,873
Advances from customers	**20,915**	27,166
Interest-bearing loans and borrowings	**40,000**	42,065
Provision for employees' end-of-service benefits	**8,299**	8,152
Total liabilities	**651,985**	496,256
Net assets transferred/to be transferred	**531,306**	533,300
Consideration received in cash	**1,231,190**	
Cash and cash equivalents disposed of	**(29,865)**	
Net cash inflow	**1,201,325**	
Gain on sale of interest in Namshi		
Sales consideration	**1,231,190**	
Less: Net asset transferred	**(531,306)**	
Gain on sale of Namshi	**699,884**	

5 Revenue and Cost of Revenue

	2023 AED'000	2022 AED'000
Revenue		
Revenue from real-estate		
Sale of residential units (net) (also, refer note 30 (b)(3))	**16,526,037**	13,244,127
Sale of commercial units, plots of land and others	**1,307,309**	3,024,488
Revenue from hospitality	**1,791,548**	1,559,273
Revenue from leased properties, retail and related income	**7,124,927**	7,097,786
	26,749,821	24,925,674
Trade and unbilled receivables are included in note 11. Further, revenue comprises of income recognised in accordance with:		
Revenue from contract with customers (IFRS 15)	**21,467,709**	21,001,612
Leases (IFRS 16)	**5,282,112**	3,924,062
	26,749,821	24,925,674

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

	2023 AED'000	2022 AED'000
Cost of revenue:		
Cost of revenue from real estate (refer note 2.2)		
Cost of residential units	6,749,139	7,922,363
Cost of commercial units, plots of land and others	727,031	1,361,548
Write down of development properties (refer note 2.2 and 13)	755,997	275,726
Operating cost of hospitality	777,246	719,363
Operating cost of leased properties, retail and related activities	875,084	2,059,362
	9,884,497	12,338,362

6 Selling, General And Administrative Expenses

	2023 AED'000	2022 AED'000
Sales and marketing expenses	824,841	1,219,663
Payroll and related expenses	712,490	709,822
Property management expenses	352,002	306,268
Depreciation of right-of-use assets (Note 20)	130,327	124,086
Provision for doubtful receivables and advances	61,805	438,626
Donations	53,932	61,041
Other expenses	650,561	662,291
	2,785,958	3,521,797

7(a) Finance Income

	2023 AED'000	2022 AED'000
Finance income from bank deposits and securities	1,352,657	412,450
Other finance income (i)	250,913	644,880
	1,603,570	1,057,330

(i) Other finance income of 2022 includes an amount of AED 292,592 thousands, representing the impact of discounting of expected cashflows on receivables from DCH being reversed on its acquisition. (also refer to note 2.1)

7(b) Finance Costs

	2023 AED'000	2022 AED'000
Finance costs on borrowings	668,129	716,789
Other finance costs (i) and note 33	371,337	264,600
	1,039,466	981,389

(i) During the year, the Group recorded finance cost on unwinding of long-term payables amounting to AED 118,738 thousands (2022: AED 131,878 thousands).

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

8 Other Income, net

	2023 AED'000	2022 AED'000
Forfeiture income from sales cancellations, net (note 22)	710,058	-
Gain on sale of interest in a subsidiary (note 4)	699,884	-
Foreign currency translation gain, net	239,263	147,565
Gain on dilution of interest in associate (note 16)	-	233,406
Others*	858,996	315,714
	2,508,201	696,685

* Primarily comprising of write back of provisions, fees for contract termination and administrative fees charged to customers.

9 Income Tax

	2023 AED'000	2022 AED'000
Consolidated income statement		
Current income tax expenses	(239,888)	(354,800)
Deferred tax credit	7,474	16,639
	(232,414)	(338,161)
Consolidated statement of financial position		
Income tax payable, balance at the beginning of the year	242,728	275,539
Charge for the year, net	239,888	354,800
Paid during the year/other adjustment	(244,348)	(387,611)
Income tax payable balance at the end of the year (note 21)	238,268	242,728
Net deferred tax payable balance at the beginning of the year	742,386	869,793
Credit for the year	(7,474)	(16,639)
Other movements, net	(8,378)	(110,768)
Net deferred tax payable, balance at the end of the year	726,534	742,386
Disclosed as :		
Deferred tax payable	754,315	922,804
Deferred tax assets (note 12)	(27,781)	(180,418)
Net deferred tax payable	726,534	742,386

Deferred tax assets and payable mainly comprises of temporary timing differences. In the current year, deferred tax assets decreased on the account of reversing the deferred tax asset created previously for carried forward losses of Emaar Turkey. Deferred tax liabilities were recognised in prior years on account of the fair value gain on India assets which were decreased during the current year on account of the impairment on non-financial assets.

Income tax expense relates to the tax payable on the results of the subsidiaries, as adjusted in accordance with the taxation laws and regulations of the countries in which the subsidiaries operate. The relationship between the tax expenses and the accounting profit can be explained as follows:

	2023 AED'000	2022 AED'000
Profit before tax	15,061,564	8,477,008
Profit not subject to tax, net	(16,102,974)	(7,539,755)
Accounting profit subject to income tax, net	(1,041,410)	937,253
Accounting profit subject to income tax (excluding impairment/write down)	380,785	1,059,575
Income tax expense	(232,414)	(338,161)
Less: Derecognition of previously recognised deductible temporary differences	146,434	-
Net income tax charge for the year	(85,980)	(338,161)
Effective tax rate	22.58%	31.91%

The income tax charge is applicable on the Group's operations in Turkey, Egypt, Morocco, India, Pakistan, Lebanon, Kingdom of Saudi Arabia and Italy.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

10 Bank and Cash Balances

	2023 AED'000	2022 AED'000
Cash in hand	**9,277**	23,809
Current and call bank deposit accounts	**21,698,645**	15,635,134
Fixed deposits with original maturity of three months or less	**3,916,651**	1,881,990
Total	**25,624,573**	17,540,933
Deposits under lien (note 30)	**235,572**	200,070
Fixed deposits with original maturities of three months or more, and restricted cash	**7,994,767**	548,185
	33,854,912	18,289,188
Bank balances and cash located:		
Within UAE	**31,877,814**	16,243,702
Outside UAE	**1,977,098**	2,045,486
	33,854,912	18,289,188
Bank balances and cash are denominated in the following currencies:		
United Arab Emirates Dirham (AED)	**32,051,528**	16,417,649
United States Dollar (USD)	**1,232,400**	1,120,684
Indian Rupee (INR)	**372,748**	316,953
Saudi Riyal (SAR)	**62,540**	88,594
Egyptian Pound (EGP)	**24,437**	124,381
Other currencies	**111,259**	220,927
	33,854,912	18,289,188

As at 31 December 2023, cash and cash equivalent amount to AED 25,624,573 thousand (2022: AED 17,545,056 thousand including cash held by entity under held for sales of AED 46,359 thousand) (refer note 4) which is net of facilities obtained from various commercial banks and repayable on demand. Also refer note 24.

Cash at banks earn interest at fixed rates based on prevailing bank deposit rates. Short-term fixed deposits are placed for varying periods between one day and three months, depending on the cash requirements of the Group, and earn interest at the respective short-term deposit rates.

As at the reporting date, bank and cash balances include AED 19,125,005 thousand (31 December 2022: AED 12,747,693 thousands) representing advances received from customers against sale of development properties which are deposited into escrow accounts. These deposits/balances are not under lien.

11 Trade and Unbilled Receivables

	2023 AED'000	2022 AED'000
Trade receivables		
Amounts receivable within 12 months, net	**1,528,964**	1,297,810
Amounts receivable after 12 months, net	**224,011**	377,822
	1,752,975	1,675,632
Unbilled receivables		
Unbilled receivables within 12 months, net	**6,937,948**	8,773,182
Unbilled receivables after 12 months, net	**8,564,149**	11,769,534
	15,502,097	20,542,716
Total trade and unbilled receivables	**17,255,072**	22,218,348

The above receivables are net of AED 528,048 thousands (2022: AED 476,399 thousands) relating to provision for doubtful debts. All other receivables are considered recoverable in full.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Movement in the provision for doubtful debts during the year is as follows:

	2023 AED'000	2022 AED'000
Balance at the beginning of the year	**476,399**	498,482
Provision made during the year	**53,658**	292
Reversed during the year	**(2,009)**	(22,375)
Balance at the end of the year	**528,048**	476,399

At 31 December, the ageing analysis of net trade and unbilled receivables is as follows:

			Past due			
	Total AED'000	Neither past due nor impaired AED'000	Less than 30 days AED'000	Between 30 to 60 days AED'000	Between 60 to 90 days AED'000	More than 90 days AED'000
2023	**17,255,072**	**15,500,097**	**823,392**	**230,910**	**83,300**	**617,373**
2022	22,218,348	20,542,716	742,494	172,665	66,498	693,975

Refer note 34(a) on credit risks of trade and unbilled receivables, which discusses how the Group manages and measures credit quality of trade and unbilled receivables that are neither past due nor impaired.

12 Other Assets, Receivables, Deposits and Prepayments

	2023 AED'000	2022 AED'000
Advances to contractors and others (i)	**2,011,530**	1,395,289
Deferred sales commission (ii)	**1,762,941**	1,468,646
Receivables from Communities Owner Associations	**460,764**	389,544
Value added tax recoverable (note 30(b))	**438,309**	367,696
Recoverable from non-controlling interests, net of provision	**296,620**	298,584
Prepayments	**136,628**	121,896
Inventory - Hospitality and Retail	**62,299**	63,800
Deferred income tax assets (note 9)	**27,781**	180,418
Other receivables and deposits	**1,568,211**	1,480,620
	6,765,083	5,766,493
Other assets, receivables, deposits and prepayments maturity profile:		
Within 12 months	**6,413,505**	5,201,171
After 12 months	**351,578**	565,322
	6,765,083	5,766,493

(i) Advances paid to contractors at the commencement of works are adjusted against progress billings issued by the contractors throughout the project construction period.

(ii) Sales commission incurred to obtain or fulfil a contract with the customers is amortised over the period of satisfying performance obligations where applicable.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

13 Development Properties

	2023 AED'000	2022 AED'000
Balance at the beginning of the year	**42,240,585**	37,740,746
Effect of restatement	**-**	(51,450)
Balance at the beginning of the year	**42,240,585**	37,689,296
Add: Costs incurred during the year	**11,427,899**	7,961,537
Add: Acquisition of DCH (note 2.1)	**-**	9,780,819
Less: Costs transferred to cost of revenue during the year*	**(10,579,301)**	(9,283,911)
Less: Costs transferred to investment properties (note 18)**	**(193,965)**	(4,496)
Less: Write down (note 5)	**(755,997)**	(275,726)
Less: Foreign currency translation differences	**(1,141,626)**	(3,626,934)
Balance at the end of the year	**40,997,595**	42,240,585

* Gross of write back related to project cost and infrastructure cost accrual (refer note 2.2).

**The Group has transferred certain costs to investment properties based on the change in actual use of such developments.

	2023 AED'000	2022 AED'000
Development properties located:		
Within UAE	**28,609,191**	27,761,940
Outside UAE	**12,388,404**	14,478,645
	40,997,595	42,240,585

The fair value of the development properties as at the reporting date is AED 101,272,383 thousands (2022: AED 73,758,969 thousands).

The fair value of the Group's development properties was determined based on valuations performed by professionally qualified external valuers. The valuation was performed in accordance with the RICS valuation standards, adopting the IFRS basis of fair value and using established valuation techniques. The value of the development properties has been determined using market comparable and residual cost method, adjusted for cost to sell. Key observable inputs include market prices of similar transactions, margins derived and discount rates, any movement in the assumptions would result in the lower/higher fair value of these assets.

During the year, an amount of AED 110,879 thousands (2022: AED 25,190 thousands) was capitalised as cost of borrowings for the construction of development properties.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of its development properties (by valuation technique):

	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
2023	**101,272,383**	**-**	**-**	**101,272,383**
2022	73,758,969	-	-	73,758,969

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

14 Investments in Securities

	2023 AED'000	2022 AED'000
Financial assets at fair value through other comprehensive income (i)	**919,203**	725,517
Financial assets at fair value through profit and loss	**257,254**	212,683
Financial assets at amortised cost	**834,175**	1,298,640
	2,010,632	2,236,840
Investments in securities:		
Within UAE	**1,092,695**	866,145
Outside UAE	**917,937**	1,370,695
	2,010,632	2,236,840

(i) Financial assets at fair value through other comprehensive income include a contingent convertible instrument at fair value of AED 5,084 thousands (2022: AED 5,349 thousands) as well as funds managed by an external fund manager. Equity investments are in quoted, unquoted and index linked securities.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the value of financial assets at fair value (by valuation technique):

	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
2023	**1,176,457**	**198,585**	**945,721**	**32,151**
2022	938,200	105,640	779,943	52,617

Valuations for Level 2 investments in securities have been derived by determining their redemption value which is generally net asset value per share of the investee companies. Significant unobservable inputs include adjustable market multiples, which would increase the fair value when higher. There were no transfers made between Level 1 and Level 2 during the year.

The following table shows a reconciliation of the opening and closing amount of Level 3 financial assets which are recorded at fair value:

	2023 AED'000	2022 AED'000
Balance at 1 January	**52,617**	29,223
Add: Additions during the year	**-**	23,394
Less: Disposals during the year	**(20,466)**	-
Balance at 31 December	**32,151**	52,617

Investment in securities other than those recognised at amortised cost (debt instruments) are expected to be recovered after 12 months.

During the year, the Group purchased investments in securities and deposits of AED 1,503,112 thousands (2022: AED 2,621,800 thousands), this includes investment in funds and equity instruments of AED 28,959 thousands (2022: AED 88,160 thousands).

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

15 Loans to Associates and Joint Ventures

	2023 AED'000	2022 AED'000
Emaar Dubai South DWC LLC (i)	**688,815**	838,069
Amlak Finance PJSC (ii)	**40,480**	46,141
Other associates and joint ventures	**104,986**	159,052
	834,281	1,043,262

Other than (ii) below, loans to associates and joint ventures are unsecured, repayable on demand/as per the terms of the agreement and do not carry any interest.

(i) This includes AED 631,700 thousands (2022: AED 769,483 thousands) which is expected to be recovered after 12 months from the reporting date.

(ii) As per the terms of the restructuring agreement entered in 2014, 20% of the principal amount of the loan was repaid by Amlak in 2014, 65% is restructured into a long-term facility maturing in 12 years carrying a profit rate of 2% per annum and 15% is restructured into a 12-year contingent convertible instrument.

16 Investments in Associates and Joint Ventures

Carrying value of investments in associates and joint ventures:	2023 AED'000	2022 AED'000
Emaar, The Economic City (Saudi Joint Stock Company) - quoted* (i)	**1,501,361**	1,631,561
Amlak Finance PJSC - quoted* (ii)	**775,294**	710,481
Emaar Dubai South DWC LLC	**502,658**	405,578
Downtown DCP LLC*	**485,969**	497,809
DWTC Emaar LLC	**358,773**	332,781
Turner International Middle East Ltd	**267,799**	265,777
EII Capital P.S.C. (formerly known as "Emaar Industries and Investments (Pvt) JSC")*	**130,641**	129,508
Old Town Views LLC	**24,510**	284,780
Other associates and joint ventures	**1,582,561**	1,542,651
	5,629,566	5,800,926

* Represents Group's investment in associates.

(i) (a) The market value of shares held in Emaar, The Economic City ("EEC") (quoted on the Saudi Stock Exchange - Tadawul) as at 31 December 2023 was AED 2,024,757 thousands (31 December 2022: AED 2,119,558 thousands).
(b) Includes gain of AED 233,406 thousands resulting from restructuring at Emaar, The Economic City, which is recognised as part of other income during 2022 (refer note 8).

(ii) The market value of shares held in Amlak Finance PJSC ("Amlak") (quoted on the Dubai Financial Market) as at 31 December 2023 was AED 580,608 thousands (31 December 2022: AED 447,176 thousands).

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

As at 31 December, the Group has the following effective ownership interest in its significant associates and joint ventures:

	Country	Ownership 2023	Ownership 2022
Emaar, The Economic City (Saudi Joint Stock Company)	KSA	**22.95%**	22.95%
Amlak Finance PJSC	UAE	**48.08%**	48.08%
Emaar Bawadi LLC	UAE	**50.00%**	50.00%
Turner International Middle East Ltd	UAE	**65.00%**	65.00%
Eko Temali Parklar Turizm İşletmeleri Anonim Şirketi	Turkey	**50.00%**	50.00%
EII Capital P.S.C.	UAE	**40.00%**	40.00%
Emaar Dubai South DWC LLC	UAE	**50.00%**	50.00%
DWTC Emaar LLC	UAE	**50.00%**	50.00%
Downtown DCP LLC	UAE	**20.00%**	20.00%
Old Town Views LLC	UAE	**61.25%**	61.25%
Rove Hospitality LLC	UAE	**50.00%**	50.00%
Eagle Hills for investment and project management	EGYPT	**25.00%**	-

The following table summarises the income statements of the Group's associates and joint ventures for the year ended 31 December 2023 based on the amounts reported in Group's consolidated financial statement:

	Emaar, The Economic City (Saudi Joint Stock Company) quoted* AED'000	EII Capital P.S.C. AED'000	Emaar Dubai South DWC LLC AED'000	Turner International Middle East Ltd AED'000	Old Town Views LLC AED'000	Downtown DCP LLC AED'000	Others AED'000	Total AED'000
Revenue	1,040,242	377,271	793,992	159,401	24,993	429,756	1,294,802	4,120,457
Profit/(loss) before tax	(466,355)	29,488	192,710	78,976	44,496	208,933	335,675	423,923
Income tax expense	(101,076)	(6,956)	-	(1,331)	-	-	-	(109,363)
Profit/(loss) for the year	(567,431)	22,532	192,710	77,645	44,496	208,933	335,675	314,560
Other comprehensive income	24,114	-	-	-	-	-	(96,234)	(72,120)
Total comprehensive income for the year	(543,317)	22,532	192,710	77,645	44,496	208,933	239,441	242,440
Profit/(loss) attributable to owners of the Company	(567,431)	15,636	192,710	69,085	44,496	208,933	335,674	299,103
Group's share of profit/(loss) for the year	(130,200)	6,255	96,355	44,906	27,254	35,040	157,365	236,975
Dividend received during the year	-	5,000	-	42,883	287,524	46,880	15,000	397,287

* The Group has applied the equity method using latest available financial information as at 30 September 2023.

The financial information of the Group's associates and joint ventures' included above have been adjusted to bring their accounting policies in line with the accounting policies followed by the Group.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

The following table summarises the income statements of the Group's associates and joint ventures for the year ended 31 December 2022 based on the amounts reported in Group's consolidated financial statement:

	Emaar, The Economic City (Saudi Joint Stock Company) quoted* AED'000	EII Capital P.S.C AED'000	Emaar Dubai South DWC LLC AED'000	Turner International Middle East Ltd AED'000	Old Town Views LLC AED'000	Downtown DCP LLC AED'000	Others AED'000	Total AED'000
Revenue	333,995	380,412	868,355	148,960	215,386	382,010	1,200,148	3,529,266
Profit/(loss) before tax	(860,893)	(24,674)	214,064	79,739	109,942	155,112	284,192	(42,518)
Income tax expense	(28,868)	-	-	(1,197)	-	-	-	(30,065)
Profit/(loss) for the year	(889,761)	(24,674)	214,064	78,542	109,942	155,112	284,192	(72,583)
Other comprehensive income	38,644	-	-	-	-	-	-	38,644
Total comprehensive income for the year	(851,117)	(24,674)	214,064	78,542	109,942	155,112	284,192	(33,939)
Profit/(loss) attributable to owners of the Company	(889,761)	(28,224)	214,064	70,135	109,942	155,112	284,192	(84,540)
Group's share of profit/(loss) for the year	(204,162)	(11,290)	107,032	45,587	67,340	31,022	178,760	214,289
Dividend received during the year	-	7,500	-	45,770	-	48,000	27,500	128,770

* The Group has applied the equity method using latest available financial information as at 30 September 2022.

The financial information of the Group's associates and joint ventures included above have been adjusted to bring their accounting policies in line with the accounting policies followed by the Group.

The following table summarises the statements of financial position of the Group's associates and joint ventures as at 31 December 2023 based on the amounts reported in Group's consolidated financial statement:

	Emaar, The Economic City (Saudi Joint Stock Company) quoted* AED'000	EII Capital PSC AED'000	Emaar Dubai South DWC LLC AED'000	Turner International Middle East Ltd AED'000	Old Town Views LLC AED'000	Downtown DCP LLC AED'000	Others AED'000	Total AED'000
Total assets (including cash and cash equivalents of AED 2,152,023 thousands)	15,264,223	675,829	2,335,737	464,476	101,745	798,344	9,219,992	28,860,346
Total liabilities	8,696,960	349,227	1,330,422	224,219	61,730	55,414	3,694,324	14,412,296
Net assets	6,567,263	326,602	1,005,315	240,257	40,015	742,930	5,525,668	14,448,050
Group's share of net assets	1,506,897	130,641	148,586	502,657	156,164	24,510	2,669,601	5,139,056
Goodwill/intangible assets								582,079
Provision for impairment								(91,569)
								5,629,566

* The Group has applied the equity method using latest available financial information as at 30 September 2023.

As at 31 December 2023, the Group's share of associates and joint ventures contingent liabilities are AED 79,097 thousands (2022: AED 144,210 thousands) and commitments are AED 1,815,958 thousands (2022: AED 1,492,543 thousands).

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

The following table summarises the statements of financial position of the Group's associates and joint ventures as at 31 December 2022 based on the amounts reported in Group's consolidated financial statement:

	Emaar, The Economic City (Saudi Joint Stock Company) quoted* AED'000	EII Capital PSC AED'000	Emaar Dubai South DWC LLC AED'000	Turner International Middle East Ltd AED'000	Old Town Views LLC AED'000	Downtown DCP LLC AED'000	Others AED'000	Total AED'000
Total assets (including cash and cash equivalents of AED 1,867,748 thousands	14,720,237	679,211	2,198,309	477,107	674,536	861,862	9,487,678	29,098,940
Total liabilities	7,609,671	355,442	1,385,705	239,962	209,589	59,732	4,230,893	14,090,994
Net assets	7,110,566	323,769	812,604	237,145	464,947	802,130	5,256,785	15,007,946
Group's share of net assets	1,631,561	129,508	405,578	154,145	284,780	160,426	2,543,698	5,309,696
Goodwill/intangible assets								582,079
Provision for impairment								(91,569)
								5,800,926

* The Group has applied the equity method using latest available financial information as at 30 September 2022.

The financial information of the Group's associates and joint ventures included above have been adjusted to bring their accounting policies in line with the accounting policies followed by the Group.

17 Property, Plant and Equipment

2023:

	Leasehold improvements AED'000	Land and buildings AED'000	Computers and office equipment AED'000	Plant, machinery and heavy equipment AED'000	Motor vehicles AED'000	Furniture and fixtures AED'000	Leisure, entertainment and other assets AED'000	Capital work-in-progress AED'000	Total AED'000
Cost:									
At 1 January 2023	542,548	7,970,490	875,569	1,348,308	60,804	1,286,955	1,633,497	1,862,237	15,580,408
Additions/Adjustments	21,287	39,420	37,746	7,738	15,569	37,643	18,790	400,214	578,407
Disposals	-	(269)	(11,576)	(12,613)	(11,371)	(36,143)	(49,228)	(480)	(121,680)
Impairment (note 2.2)	-	(148,662)	-	-	-	-	2,411	-	(146,251)
Transfers	945	367,751	80,963	310,398	-	39,292	-	(799,349)	-
Transferred from investment properties (note 18)	-	15,933	-	-	-	-	-	-	15,933
Foreign currency translation differences	9,434	(94,631)	(11,651)	(16,919)	(2,597)	(14,505)	(4,894)	(107,705)	(243,468)
At 31 December 2023	574,214	8,150,032	971,051	1,636,912	62,405	1,313,242	1,600,576	1,354,917	15,663,349
Accumulated depreciation:									
At 1 January 2023	282,393	2,129,171	749,772	522,619	56,765	932,006	1,023,803	-	5,696,529
Depreciation charge for the year	14,620	229,420	82,704	108,013	3,769	68,885	108,969	-	616,380
Disposals	-	(269)	(10,761)	(12,416)	(11,227)	(33,187)	(47,263)	-	(115,123)
Transfers/adjustments	-	2,742	(84)	14,781	-	(1,980)	-	-	15,459
Transferred from investment properties (note 18)	487	460	-	-	-	-	-	-	947
Foreign currency translation differences	3,470	(15,438)	(9,472)	(5,539)	(2,008)	(8,861)	(3,927)	-	(41,775)
At 31 December 2023	300,970	2,346,086	812,159	627,458	47,299	956,863	1,081,582	-	6,172,417
Net carrying amount:	273,244	5,803,946	158,892	1,009,454	15,106	356,379	518,994	1,354,917	9,490,932

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

2022:

	Leasehold improvements AED'000	Land and buildings AED'000	Computers and office equipment AED'000	Plant, machinery and heavy equipment AED'000	Motor vehicles AED'000	Furniture and fixtures AED'000	Leisure, entertainment and other assets AED'000	Capital work-in-progress AED'000	Total AED'000
Cost:									
At 1 January 2022 (Audited)	564,730	8,507,422	841,833	1,242,098	68,086	1,245,853	1,545,160	2,178,060	16,193,242
Effect of restatement	-	(1,512,253)	(23,298)	(57,795)	(260)	(61,500)	-	(142)	(1,655,248)
Balance at the beginning of the year (restated)	564,730	6,995,169	818,535	1,184,303	67,826	1,184,353	1,545,160	2,177,918	14,537,994
Additions/Adjustments	3,452	36,129	76,700	27,994	1,215	36,738	16,673	592,052	790,953
Acquisition of DCH (note 2.1)	-	564,350	6,107	137,998	-	52,203	-	426,762	1,187,420
Disposals	(87)	(1,869)	(8,593)	(9,847)	(1,103)	(20,229)	(15,568)	(1,731)	(59,027)
Impairment (note 2.2)	(4,451)	-	(231)	-	-	(453)	(45,172)	(16,571)	(66,878)
Transfers	342	728,338	35,264	53,402	-	83,016	154,273	(1,054,635)	-
Transferred to investment properties (note 18)	-	(80,244)	-	-	-	(911)	-	-	(81,155)
Foreign currency translation differences	(21,438)	(271,383)	(30,657)	(45,542)	(6,941)	(41,188)	(21,869)	(261,558)	(700,576)
Asset held for sale (note 4)	-	-	(21,556)	-	(193)	(6,574)	-	-	(28,323)
At 31 December 2022	542,548	7,970,490	875,569	1,348,308	60,804	1,286,955	1,633,497	1,862,237	15,580,408
Accumulated depreciation:									
At 1 January 2022 (Audited)	285,492	2,086,902	754,658	494,396	61,195	953,379	932,010	-	5,568,032
Effect of restatement	-	(96,985)	(18,073)	(34,848)	(168)	(37,161)	-	-	(187,235)
Balance at the beginning of the year (restated)	285,492	1,989,917	736,585	459,548	61,027	916,218	932,010	-	5,380,797
Depreciation charge for the year	11,813	219,577	63,829	91,904	3,213	68,246	118,509	-	577,091
Disposals	(33)	(1,491)	(8,361)	(9,834)	(1,265)	(18,752)	(15,468)	-	(55,204)
Transferred to investment properties (note 18)	-	(34,490)	-	-	-	(911)	-	-	(35,401)
Foreign currency translation differences	(11,612)	(44,342)	(24,847)	(18,999)	(6,017)	(25,775)	(11,248)	-	(142,840)
Impairment	(3,267)	-	(162)	-	-	(322)	-	-	(3,751)
Asset held for sale (note 4)	-	-	(17,272)	-	(193)	(6,698)	-	-	(24,163)
At 31 December 2022	282,393	2,129,171	749,772	522,619	56,765	932,006	1,023,803	-	5,696,529
Net carrying amount:									
At 31 December 2022	260,155	5,841,319	125,797	825,689	4,039	354,949	609,694	1,862,237	9,883,879

The valuation of the Group's significant revenue generating property, plant and equipment is carried out by professionally qualified valuers. The net income has been capitalised at terminal yield range of 5.75% to 8.75% (2022: 5.50% to 8.75%) and a discount rate range of 7.75% to 16% (2022: 8.75% to 16%) representing the characteristics and risk profile of an asset to determine the value of each of the revenue generating property, plant and equipment. At 31 December 2023, the fair value of these revenue generating property, plant and equipment assets is AED 10,802,010 thousands (2022: AED 9,969,217 thousands) compared with a carrying value of AED 8,136,015 thousands (2022: AED 8,021,642 thousands). Also refer note 2.2.

Certain property, plant and equipment assets are pledged as security against interest-bearing loans and borrowings as disclosed under note 24.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of its revenue generating property, plant and equipment (by valuation technique):

	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
2023	**10,802,010**	**-**	**-**	**10,802,010**
2022	9,969,217	-	-	9,969,217

Any significant movement in the assumptions used for the fair valuation of revenue generating property, plant and equipment such as discount rates, long term revenue/margin growth etc. would result in significantly lower/higher fair value of those assets.

18 Investment Properties

2023:

	Land AED'000	Buildings AED'000	Plant and equipment AED'000	Furniture, fixtures and others AED'000	Capital work-in-progress AED'000	Total AED'000
Cost:						
At 1 January 2023	**2,020,014**	**23,218,377**	**438,334**	**1,168,044**	**1,599,338**	**28,444,107**
Additions/adjustments	**28,238**	**113,093**	**-**	**182,751**	**270,474**	**594,556**
Disposals	**-**	**-**	**-**	**(7,275)**	**-**	**(7,275)**
Impairment (note 2.2)	**-**	**(1,109,246)**	**-**	**-**	**-**	**(1,109,246)**
Transfers	**-**	**990,477**	**-**	**214,995**	**(1,205,472)**	**-**
Transferred from development properties (note 13)	**50,983**	**141,468**	**-**	**-**	**1,514**	**193,965**
Transferred to property, plant and equipment (note 17)	**(2,027)**	**(13,906)**	**-**	**-**	**-**	**(15,933)**
Foreign currency translation differences	**(3,188)**	**(61,680)**	**-**	**-**	**(22,729)**	**(87,597)**
At 31 December 2023	**2,094,020**	**23,278,583**	**438,334**	**1,558,515**	**643,125**	**28,012,577**
Accumulated depreciation:						
At 1 January 2023	**-**	**4,356,930**	**436,991**	**961,927**	**-**	**5,755,848**
Depreciation charge for the year	**-**	**657,163**	**63**	**123,157**	**-**	**780,383**
Disposals	**-**	**-**	**-**	**(7,275)**	**-**	**(7,275)**
Transferred to property, plant and equipment (note 17)	**-**	**(947)**	**-**	**-**	**-**	**(947)**
Foreign currency translation differences	**-**	**(8,947)**	**-**	**-**	**-**	**(8,947)**
At 31 December 2023	**-**	**5,004,199**	**437,054**	**1,077,809**	**-**	**6,519,062**
Net carrying amount:						
At 31 December 2023	**2,094,020**	**18,274,384**	**1,280**	**480,706**	**643,125**	**21,493,515**

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

2022:

	Land AED'000	Buildings AED'000	Plant and equipment AED'000	Furniture, fixtures and others AED'000	Capital work-in-progress AED'000	Total AED'000
Cost:						
At 1 January 2022	1,990,938	18,489,856	438,334	1,140,302	5,727,260	27,786,690
Additions	13,366	421,082	-	25,002	252,525	711,975
Acquisition of DCH (note 2.1)	19,054	144,437	-	1,829	21,113	186,433
Disposals/adjustments	(264)	(101,701)	-	-	-	(101,965)
Impairment	-	-	-	-	(12,877)	(12,877)
Transfers	-	4,293,769	-	-	(4,293,769)	-
Transferred from development properties (note 13)	-	-	-	-	4,496	4,496
Transferred from property, plant and equipment (note 17)	2,588	77,656	-	911	-	81,155
Foreign currency translation differences	(5,668)	(106,722)	-	-	(99,410)	(211,800)
At 31 December 2022	2,020,014	23,218,377	438,334	1,168,044	1,599,338	28,444,107
Accumulated depreciation:						
At 1 January 2022	-	3,721,577	436,937	885,276	-	5,043,790
Depreciation charge for the year	-	616,283	54	75,740	-	692,077
Disposals/adjustments	-	(365)	-	-	-	(365)
Transferred from property, plant and equipment (note 17)	-	34,490	-	911	-	35,401
Foreign currency translation differences	-	(15,055)	-	-	-	(15,055)
At 31 December 2022	-	4,356,930	436,991	961,927	-	5,755,848
Net carrying amount:						
At 31 December 2022	2,020,014	18,861,447	1,343	206,117	1,599,338	22,688,259

The fair value of the freehold interest in Group's investment properties at 31 December 2023 was determined based on valuations performed by professionally qualified valuers. The valuation was performed in accordance with the RICS valuation standards, adopting the IFRS basis of fair value and using established valuation techniques. The values of the investment properties have been determined through analysis of the income cash flow achievable for the buildings and takes into account the projected annual expenditure. Both the contracted rent and estimated rental values have been considered in the valuation with allowances for void periods, running costs, vacancy rates and other costs. Based on the type and location of the property, the value of each of the properties has been determined by capitalising the estimated net income at an equivalent yield in the range of 7.5% to 8.5% (2022: 6.50% to 8.75%) (income capitalisation method). Where there are outstanding construction costs to complete the property these have been reflected in the valuation (residual method). Also refer note 2.2.

The fair value of investment properties as at 31 December 2023 is AED 70,027,293 thousands (2022: AED 66,177,155 thousands).

Investment properties represent the Group's interest mainly in land and buildings, shopping malls and retail assets situated in the UAE, Kingdom of Saudi Arabia, India, Turkey and Egypt. In the current year, revenue recognised from rental income is AED 5,282 thousands (2022: 3,924 thousands).

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of its investment properties (by valuation technique):

	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
2023	**70,027,293**	-	-	**70,027,293**
2022	66,177,155	-	-	66,177,155

Any significant movement in the assumptions used for the fair valuation of investment properties such as discount rates, yield, rental growth, vacancy rate etc. would result in significantly lower/higher fair value of those assets.

19 Intangible Assets

2023:

	Goodwill AED'000	Brand AED'000	Customers relationship AED'000	Software AED'000	Total AED'000
Cost:					
At 1 January 2023	**208,370**	-	**51,700**	**9,286**	**269,356**
Additions	-	-	-	**11,572**	**11,572**
Other movements	-	-	-	**(181)**	**(181)**
At 31 December 2023	**208,370**	-	**51,700**	**20,677**	**280,747**
Amortisation:					
At 1 January 2023	-	-	**51,700**	**5,714**	**57,414**
Charge for the year	-	-	-	**3,610**	**3,610**
At 31 December 2023	-	-	**51,700**	**9,324**	**61,024**
Net carrying amount:					
At 31 December 2023	**208,370**	-	-	**11,353**	**219,723**

2022:

	Goodwill AED'000	Brand AED'000	Customers relationship AED'000	Software AED'000	Total AED'000
Cost:					
At 1 January 2022	573,382	164,300	51,700	5,309	794,691
Additions	-	-	-	3,977	3,977
Asset Held for Sale (note 4)	(365,012)	(164,300)	-	-	(529,312)
At 31 December 2022	208,370	-	51,700	9,286	269,356
Amortisation:					
At 1 January 2022	-	-	44,816	5,309	50,125
Charge for the year	-	-	6,884	405	7,289
At 31 December 2022	-	-	51,700	5,714	57,414
Net carrying amount:					
At 31 December 2022	208,370	-	-	3,572	211,942

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Impairment assessment of goodwill

CGUs containing goodwill include Hamptons in the MENA region (AED 46,066 thousands) and Mirage Leisure and Development Inc. (AED 162,304 thousands) and has been tested for impairment using a value in use model. The calculation of value in use was sensitive to the following assumptions:

(i) Gross margins - Gross margins were based on the expectations of management based on past experience and expectation of future market conditions.

(ii) Discount rates - Discount rates reflected management's estimate of the specific risks. The discount rate was based on the risk-free rate of the investment's country, market risk premium related to the industry and individual unit related risk premium/discount. This was the benchmark used by management to assess performance and to evaluate future investment proposals. Management estimated that such discount rate to be used for evaluation of the investment should be between 7.5% to 17% (2022: 7.5% to 17%).

(iii) Growth rate estimates - Management prepared a five-year budget based on their expectations of future results, thereafter a growth rate of 1% to 4% (2022: 1% to 4%) was assumed based on the nature of CGUs.

With regard to the assessment of value in use of the goodwill, management believes that no reasonably possible change in a key assumption would cause the carrying value of the goodwill to materially exceed its recoverable amount.

20 Right of Use Assets and Lease Liabilities

The carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the year:

Right-of-use assets

	2023 AED'000	2022 AED'000
As at 1 January	**954,851**	1,066,681
Additions	**21,397**	15,923
Depreciation (note 6)	**(130,327)**	(124,086)
Asset held for sale (note 4)	**-**	(3,667)
As at 31 December	**845,921**	954,851

Lease liabilities

	2023 AED'000	2022 AED'000
As at 1 January	**980,824**	1,152,292
Additions	**3,350**	15,923
Interest expense	**51,500**	58,515
Other adjustments	**(14,753)**	(77,911)
Payments	**(157,261)**	(167,995)
As at 31 December (note 21)	**863,660**	980,824

When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate at the start of lease. The average rate applied is 4% to 8% (2022: 4% to 8%).

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

21 Trade and Other Payables

	2023 AED'000	2022 AED'000
Project contract cost accruals	**4,832,270**	7,563,969
Trade payables	**1,914,218**	2,011,974
Creditors for land purchase	**1,761,311**	2,691,964
Lease liabilities (note 20)	**863,660**	980,824
Payable to non-controlling interests	**247,505**	258,720
Income tax payable (note 9)	**238,268**	242,728
Dividends payable	**-**	285,644
Other payables and accruals	**5,118,506**	5,623,941
	14,975,738	19,659,764

Trade and other payables are non-interest bearing and for explanations on the Group's liquidity risk management process and maturity profile of financial liabilities refer note 34.

22 Advances from Customers

	2023 AED'000	2022 AED'000
Balance at the beginning of the year	**19,563,729**	13,783,506
Additions during the year	**28,869,056**	27,178,662
Revenue recognised during the year	**(24,084,640)**	(21,697,229)
Acquired on acquisition of DCH (note 2.1)	**-**	1,669,776
Other Income recognised during the year (forfeiture income) (note 8)	**(710,058)**	-
Foreign currency translation differences	**(780,511)**	(1,370,986)
Balance at the end of the year	**22,857,576**	19,563,729

The aggregate amount of the sale price allocated to the performance obligations of the Group that are fully or partially unsatisfied as at 31 December 2023 is AED 69,873,720 thousands (excluding joint ventures) (2022: AED 52,038,986 thousands). The Group expects to recognise these unsatisfied performance obligations as revenue over a period of 5 years.

23 Retentions Payable

	2023 AED'000	2022 AED'000
Retentions payable within 12 months	**920,566**	1,098,066
Retentions payable after 12 months	**611,035**	522,477
	1,531,601	1,620,543

Notes to the Consolidated Financial Statements (continued)
As at 31 December 2023

24 Interest-Bearing Loans and Borrowings

	2023 AED'000	2022 AED'000
Balance at the beginning of the year	**5,300,305**	8,487,267
Add: Borrowings drawdown during the year	**1,549,777**	10,816,461
Less: Borrowings repaid during the year	**(3,751,350)**	(13,961,358)
Less: Transferred to assets held for sale	**-**	(42,065)
Balance at the end of the year	**3,098,732**	5,300,305
Add: Facilities payable on demand (note 10)	**-**	42,236
Less: Unamortised portion of directly attributable costs	**(54)**	(11,314)
Net interest-bearing loans and borrowings at the end of the year	**3,098,678**	5,331,227
Interest-bearing loans and borrowings maturity profile:		
Within 12 months	**1,319,244**	1,456,757
After 12 months	**1,779,434**	3,874,470
Balance at the end of the year	**3,098,678**	5,331,227
Interest-bearing loans and borrowings located:		
Within UAE	**7,291**	1,395,695
Outside UAE	**3,091,387**	3,935,532
	3,098,678	5,331,227

The Group has the following secured and unsecured interest-bearing loans and borrowings:

Secured

- USD 4,015 thousands (AED 14,747 thousands) loan from commercial bank, secured against certain assets in Lebanon, carries interest at 9.5% per annum and is repayable in 2024.
- EGP 885,275 thousands (AED 103,930 thousands) loan from commercial bank in Egypt, secured against certain assets in Egypt, carries interest at 19.75% per annum and is repayable in 2024.

Unsecured

- The Group had drawdown AED 3,673 thousands out of AED 5,509,500 thousand Revolving Credit Line Facility (the "Facility") availed from the syndication of commercial banks in UAE, carries interest/profit at EIBOR plus 1% per annum and is repayable by 2024. The facility is presented in the consolidated financial statements at AED 3,619 thousand net of unamortised directly attributable transaction cost.
- The Group had drawdown AED 3,673 thousands out of AED 3,673,000 thousand Revolving Credit Line Facility (the "Facility") availed from the syndication of commercial banks in UAE, carries profit at EIBOR plus 1% per annum and is repayable by 2025. The facility is presented in the consolidated financial statements at AED 3,673 thousand net of unamortised directly attributable transaction cost.
- AED 936,615 thousand loan from a commercial bank in the United Arab Emirates, bearing interest at 3 month EIBOR plus 1.20% per annum and repayable by 2027. Refer note 33.
- EGP 2,078,651 thousand (AED 244,032 thousands) of funding facilities from commercial banks in Egypt, bearing interest from 11.28% to 21.00% and repayable by 2027.
- PKR 1,317,837 thousand (AED 17,190 thousands) of funding facilities from commercial banks in Pakistan, bearing interest 3 month KIBOR - (0.15% to 1.0%) and repayable in 2024.
- INR 40,212,803 thousand (AED 1,774,872 thousands) loans from commercial banks in India, bearing interest from 7.10% to 10.16% per annum and repayable by 2027.

As at the reporting date, the group has complied with applicable financial covenants on its loans and borrowings.

Notes to the Consolidated Financial Statements (continued)
As at 31 December 2023

25 Sukuk

	2023 AED'000	2022 AED'000
Emaar Sukuk Limited:		
- Series 3	**2,750,378**	2,749,339
- Series 4	**1,834,467**	1,833,356
- Series 5	**1,833,525**	1,833,053
EMG Sukuk Limited:		
- Sukuk	**2,753,512**	2,750,936
Total Sukuk liability as at year-end	**9,171,882**	9,166,684
Maturity profile:		
- within 12 months	**2,753,512**	-
- After 12 months	**6,418,370**	9,166,684
Total Sukuk liability as at year-end	**9,171,882**	9,166,684

A. Emaar Sukuk Limited:

Emaar Sukuk Limited (the "Issuer"), a limited liability company registered in the Cayman Islands and a wholly- owned 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 thousands (AED 7,346,000 thousands) of trust certificates in series.

Series 3:

On 15 September 2016, the Issuer had issued the third series of the trust certificates (the "Sukuk 3") amounting to USD 750,000 thousands (AED 2,754,750 thousands) under the Programme. The Sukuk 3 is listed on NASDAQ Dubai and is due for repayment in 2026. Sukuk 3 carries a profit distribution at the rate of 3.64% per annum to be paid semi-annually. The carrying value of Sukuk 3 is as follows:

	2023 AED'000	2022 AED'000
Sukuk liability as at year-end	**2,750,378**	2,749,339

Series 4:

On 17 September 2019, the Issuer has issued the fourth series of the trust certificates (the "Sukuk 4") amounting to USD 500,000 thousands (AED 1,836,500 thousands) under the Programme. The Sukuk 4 is listed on NASDAQ Dubai and is due for repayment in 2029. Sukuk 4 carries a profit distribution at the rate of 3.875% per annum to be paid semi-annually. The carrying value of Sukuk 4 is as follows:

	2023 AED'000	2022 AED'000
Sukuk liability as at year-end	**1,834,467**	1,833,356

Series 5:

On 6 July 2021, the Issuer has issued fifth series of trust certificates (the "Sukuk 5") amounting to AED 1,836,500 thousands (USD 500,000 thousands) under the Programme. The Sukuk 5 is listed on NASDAQ Dubai and is due for repayment in 2031. Sukuk 5 carries a profit distribution at the rate of 3.7% per annum to be paid semi-annually. The carrying value of Sukuk 5 is as follows:

	2023 AED'000	2022 AED'000
Sukuk liability as at year-end	**1,833,525**	1,833,053

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

B. EMG Sukuk Limited:

On 18 June 2014, the EMG Sukuk Limited (the "Issuer"), a limited liability company registered in the Cayman Islands and a wholly owned subsidiary of Emaar Malls Management LLC, has issued trust certificates (the "Sukuk") amounting to USD 750,000 thousands (AED 2,754,750 thousands). The Sukuk is listed on the NASDAQ Dubai and is due for repayment in 2024. The Sukuk carries a profit distribution rate of 4.6% per annum to be paid semi-annually.

	2023 AED'000	2022 AED'000
Sukuk liability as at year-end	**2,753,512**	2,750,936

26 Provision for Employee End-of-Service Benefits

End-of-Service Benefits

The movement in the provision for employees' end-of-service benefits are as follows:

	2023 AED'000	2022 AED'000
Balance at the beginning of the year	**177,044**	177,561
Effect of restatement	**-**	(3,865)
Balance at the beginning of the year	**177,044**	173,696
Provided during the year	**31,990**	30,126
Paid during the year	**(32,610)**	(26,778)
Balance at the end of the year	**176,424**	177,044

27 Share Capital

	2023 AED'000	2022 AED'000
Authorised capital 8,838,789,849 shares of AED 1 each (2022: 8,838,789,849 shares of AED 1 each) (refer note below)	**8,838,790**	8,838,790
Issued and fully paid-up 8,838,789,849 shares of AED 1 each (2022: 8,838,789,849 shares of AED 1 each) (refer note below)	**8,838,790**	8,838,790

(i) The Company's shareholders, at the general meeting held on 21 September 2022, approved to increase authorised share capital of the Company to 8,838,789,849 shares. After securing necessary approvals from authorities, the Company had issued a convertible bond to Dubai Holding Group on 8 December 2022 which was converted into 659,050,967 fully paid equity shares of the Company on 22 December 2022 (refer Note 2.1, 28 and 29).

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

28 Reserves

	Statutory reserve AED'000	Capital reserve AED'000	General reserves AED'000	Share premium AED'000	Net unrealised gains/(losses) reserve AED'000	Foreign currency translation reserve AED'000	Total AED'000
Balance as at 1 January 2021	17,318,101	3,660	7,320,841	578,234	(1,400,267)	(3,773,964)	20,046,605
Increase in unrealised reserve	-	-	-	-	314,039	-	314,039
Decrease in foreign currency translation reserve	-	-	-	-	-	(2,135,168)	(2,135,168)
Net gain/(loss) recognised directly in equity	-	-	-	-	314,039	(2,135,168)	(1,821,129)
Issuance of new equity shares on							
Acquisition of DCH (refer note 2.1 (a))	3,090,949	-	-	-	-	-	3,090,949
Net movement during the year	-	-	683,205	-	-	-	683,205
Balance as at 31 December 2022	20,409,050	3,660	8,004,046	578,234	(1,086,228)	(5,909,132)	21,999,630
Balance as at 1 January 2023	**20,409,050**	**3,660**	**8,004,046**	**578,234**	**(1,086,228)**	**(5,909,132)**	**21,999,630**
Increase in unrealised reserve	**-**	**-**	**-**	**-**	**238,609**	**-**	**238,609**
Decrease in foreign currency translation reserve	**-**	**-**	**-**	**-**	**-**	**(868,956)**	**(868,956)**
Net gain/(loss) recognised directly in equity	**-**	**-**	**-**	**-**	**238,609**	**(868,956)**	**(630,347)**
Net movement during the year	**-**	**-**	**1,162,924**	**-**	**-**	**-**	**1,162,924**
Balance as at 31 December 2023	**20,409,050**	**3,660**	**9,166,970**	**578,234**	**(847,619)**	**(6,778,088)**	**22,532,207**

(a) Statutory and General reserve:

According to Article number 57 of the Articles of Association of the Company and Article 241 of the UAE Federal Decree Law No. (32) of 2021, 10% of annual net profits after non-controlling interests are allocated to the statutory reserve and another 10% to the general reserve. The transfers to the statutory reserve may be suspended when the reserve reaches 50% of the paid-up capital. Transfers to the general reserve may be suspended by the ordinary general assembly when the reserve reaches 50% of the paid-up capital.

The statutory reserve is in excess of 50% of the paid-up share capital of the Company and therefore in accordance with a resolution of the Annual General Meeting, the Group has ceased further transfers to this reserve.

The statutory reserve includes:

- AED 2,475,000 thousands being the premium collected at AED 15 per share (shares par value at that time was AED 10 per share) on the 1:1.65 rights issue during the year ended 31 December 1998;
- AED 11,321,656 thousands being the premium collected to date at AED 4 per share (share par value at AED 1 per share) on the 1:1 rights issue announced during the year ended 31 December 2005;
- AED 1,348,331 thousands being the premium of AED 3.38 per share (share par value at AED 1 per share) on conversion of the notes having face value of USD 475,700 thousands (AED 1,747,246 thousands) on 22 January 2014;
- AED 63,207 thousands being the premium of AED 3.38 per share (share par value at AED 1 per share) on conversion of the Notes having face value of USD 22,300 thousands (AED 81,907 thousands) on 22 December 2014; and
- AED 2,097,856 thousands being the premium of AED 4.13 per share (share par value at AED 1 per share), net of decrease in equity attributable to owners of the Company on acquisition of NCI of Emaar Malls and associated transaction costs, made during the year ended 31 December 2021.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

- AED 3,090,949 thousands being the premium of AED 4.69 per share (share par value at AED 1 per share) on issuance of new shares of the Company to Dubai Holding Group as part consideration to fully acquire the shareholding of DCH from Dubai Holding Group on 22 December 2022. Also refer Notes 2.1 and 27.

(b) Share premium:

Share premium of AED 578,234 thousands arise on dilution of Group investment in Emaar Misr for Development SAE through a primary offering of shares in an Initial Public Offering during 2015.

(c) Capital reserve:

Capital reserve of AED 3,660 thousands was created from the gain on sale of treasury shares in 2003.

(d) Net unrealised gains/(losses) reserve:

This reserve records fair value changes in financial assets at fair value through other comprehensive income and the Group's share in fair value reserve of the joint ventures and associates.

(e) Foreign currency translation reserve:

The foreign currency translation reserve is used to record exchange difference arising from translation of the financial statements of foreign subsidiaries, associates and joint ventures.

29 Earnings Per Share

Basic earnings per share amounts are calculated by dividing net profit or loss for the year attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit or loss attributable to the owners of the Company (after adjusting for interest on the convertible notes) 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.

The information necessary to calculate basic and diluted earnings per share is as follows:

	2023 AED'000	2022 AED'000
Earnings:		
Profit attributable to the owners of the Company for basic earnings	**11,629,238**	6,832,049

	2023	2022
Number of shares in thousands		
Weighted-average number of ordinary shares for basic earnings per share (i)	**8,838,790**	8,223,074

	2023	2022
Earnings per share:		
Basic and diluted earnings per share (AED)	**1.32**	0.83

(i) The weighted average number of shares at 31 December 2022 take into account mandatory convertible bonds issued by the Company on 8 December 2022 to Dubai Holding Group which were converted into 659,050,967 new equity shares on 22 December 2022 in connection with the acquisition of DCH (refer notes 2.1 and 27).

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

30 Guarantees and Contingencies

a) Guarantees

1. The Group has issued financial guarantees and letters of credit of AED 924,010 thousands (2022: AED 1,369,284 thousands).
2. The Group has provided a financial guarantee of AED 5,000 thousands (2022: AED 5,000 thousands) as security for the letter of guarantee issued by a commercial bank for issuance of a trade license from the Government of Dubai.
3. The Group has provided a performance guarantee of AED 5,487,093 thousands (2022: AED 5,773,727 thousands) to the Real Estate Regulatory Authority (RERA), Dubai for its projects as per RERA regulations.
4. The Group has provided guarantee of AED 357,117 thousands (2022: AED 430,577 thousands) to commercial banks as security for a joint venture of the Group and against promissory notes issued by an entity with which Group is developing a project under development agreements.
5. The Group has provided performance guarantees of AED 103,435 thousands (2022: AED 98,848 thousands) to various government authorities in India for its projects. The banks have a lien of AED 229,482 thousands (2022: AED 192,377 thousands) towards various facilities.
6. The Group has provided a letter of credit and credit card facility of AED 223 thousand (2022: AED 278 thousand) in Egypt for its project. The bank has a lien of AED 223 thousand (2022: AED 278 thousand) towards this letter of credit and credit card.
7. The Group has provided a bank guarantee of EGP 50,000 thousand (AED 5,867 thousand) (2022: AED 7,415 thousand) to government authority in Egypt for its project. The bank has a lien of EGP 50,000 thousand (AED 5,867 thousand) (2022: AED 7,415 thousand) towards this bank guarantee.

b) Contingencies

1. (a) Andhra Pradesh Industrial Infrastructure Corporation Ltd. ('APIIC'), a joint venture partner in certain subsidiaries of the Group in India, issued a legal notice to the Emaar India Land Ltd. (Emaar India) to terminate certain development and operational management agreements which were entered into between Emaar India, Emaar Hills Township Private Limited ('EHTPL' – a joint venture of the Group with APIIC) and Boulder Hills Leisure Private Limited ('BHLPL' – a joint venture of the Group with APIIC). APIIC has filed another suit against Emaar India to restrain Emaar India from carrying out any activity related to these developments. In addition thereto, a number of litigations were initiated against the Group by third parties on the grounds of irregularities in acquisition and allocation of land, sale plots etc. Under the matter, the Group had also received an attachment order of certain properties from Enforcement Directorate. The Group has assets and liabilities of INR 4,290 million (AED 189 million) and INR 1,288 million (AED 57 million) respectively.

   The management based on legal advice, is of the opinion that all the aforesaid suits filed by APIIC which are now being contested by Telangana State Industrial Infrastructure Corporation ('TSIIC'), shall be settled amicably by the parties through local and legal provisions available.

   (b) TSIIC has filed a Petition before the National Company Law Tribunal, ("NCLT") Hyderabad Bench against EHTPL and certain other parties under Section 241 and 242 of the Indian Companies Act 2013. The management believes that since the factual position with respect to demerger proceedings between APIIC and TSIIC has not

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

changed and are still pending, therefore TSIIC has no locus standi to file the petition as it is not a shareholder and recorded member of EHTPL, and its name has not been entered into the Statutory Register of Members as maintained in terms of the provisions of the Indian Companies Act 2013. Accordingly, management believes that the petition filed by TSIIC is not tenable. However, on 25 July 2022, the maintainability issue has been decided by the NCLT, Hyderabad Bench in favour of the TSIIC and the Group or its representatives have been restrained from dealing with the assets and properties of EHTPL. The Group appealed the judgement of the NCLT before the NCLAT. The NCLAT vide judgement dated on 10 October 2022 decided the maintainability issue in favour of TSIIC, however, the interim order granting compensation has been set aside by the NCLAT. The Group had filed an appeal before the Supreme Court of India to challenge the judgement by NCLAT where the Supreme Court declined to interfere in the orders of the NCLAT, however, has left the decision on maintainability open till final adjudication of the matter.

Thereafter, EHTPL has filed an application seeking reference of the matter to arbitration as provided under the contractual agreements between the parties. TSIIC's right to respond was forfeited by the NCLT. TSIIC has recently filed an application to set-aside the order forfeiting its right to file reply along with reply to the application seeking reference to arbitration, on which notice has been issued by the NCLT.

2. Emaar MGF Construction Private Limited (EMCPL), a subsidiary of the Group, had developed and constructed the Commonwealth Games Village (CWGV) in India on a Public Private Partnership model in furtherance to the Project Development Agreement (PDA) entered with Delhi Development Authority (DDA) on 14 September 2007. After acknowledging completion and issuing occupancy certificate, DDA invoked the performance Bank Guarantee (BG) of INR 1,830 million (AED 81 million) towards liquidated damages and other claims alleging that EMCPL had not been able to achieve the project timelines as per the terms of PDA. EMCPL contested the matter by filing petition with Delhi High Court who later formed an Arbital Tribunal where EMCPL filed claims of INR 14,182 million (AED 625 million) and DDA filed a counter claim of INR 14,460 million (AED 638 million). The cross examination before the Tribunal have been completed. Also, EMCPL has filed its written submissions, but DDA is yet to file its written submissions.

   Based on legal opinion, the Management believes that EMCPL has met the requirements as per PDA and the LD imposed/BG invoked and other claims raised by DDA are not justifiable.

3. During the current year, UAE Federal Tax Authority ("FTA") issued a tax assessment order on the Group of AED 563,649 thousand mainly towards VAT on serviced residential units along with an administrative fine of AED 673,085 thousand. As at the reporting date, the demand of assessment order for AED 563,649 thousand is paid and a portion thereof has been adequately provided/adjusted from revenue (also refer note 5). However, management based on opinion of tax advisors, has filed a tax assessment review application with FTA to review their assessment order mainly to reflect their earlier clarification about VAT on serviced apartments. Accordingly, management do not expect the demand for aforesaid fine to materialise and hence no provision towards the same has been recognised.

4. In connection with the debt-to-equity conversion by Emaar, The Economic City (EEC) of the Investor Loan novated to the Public Investment Fund (PIF), several group entities of Emaar, as shareholders in EEC (Emaar Warrantors), gave certain warranties and indemnities to PIF based on agreed liability caps (except for indemnities) depending on the liability period and which expire on the earlier of the date when the Land Disputes are finally settled or the 3rd anniversary of the Completion (Date 1 September 2021) (as applicable). Till date, there has been no notice of any claim given to any of the Emaar Warrantors by PIF against such warranties or indemnities.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

31 Commitments

At 31 December 2023, the Group had commitments of AED 17,228,974 thousands (2022: AED 11,619,330 thousands) which include project commitments of AED 16,638,161 thousands (2022: AED 11,015,649 thousands). This represents the value of contracts entered into by the Group, including contracts entered for purchase of plots of land, net of invoices received and accruals made at that date.

There were certain claims submitted by contractors and other parties relating to various projects of the Group in the ordinary course of business from which it is anticipated that no material unprovided liabilities will arise.

Operating lease - Group as lessor

The Group has entered into leases on its investment property portfolio. The future minimum rentals receivable under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables, are as follows:

	2023 AED'000	2022 AED'000
Within one year	**3,772,843**	3,237,966
After one year but not more than five years	**7,946,684**	6,067,242
More than five years	**1,934,996**	1,066,167
	13,654,523	10,371,375

In addition to the above lease entitlements, the Group also has rent agreements which entitles it to receive rent based on turnover of tenants and collect services charges.

32 Dividends

The Company has paid a cash dividend of AED 2,209,698 thousands for 2022 (AED 0.25 per share) as approved by the shareholders of the Company at the Annual General Meeting of the Company held on 17 April 2023.

A cash dividend of AED 4,419,394 thousand for 2023 (AED 0.50 per share) was proposed by the Board of Directors of the Company on date subject to the approval of shareholders in the forthcoming Annual General Meeting.

33 Related Party Disclosures

The Group in the normal course of business enters into transactions with individuals and other entities that fall within the definition of related party. The Group's related parties include key management personnel, entities held under common control, associates, joint ventures and others.

The Group is partly owned by Investment Corporate of Dubai ("ICD"), an entity owned by the Government of Dubai ("Government") which has a significant influence over the Company. The Group enters into transactions, in the normal course of business, with Government-owned entities and entities wherein ICD has control, joint control or significant influence. In accordance with the exemption available in IAS 24, management has elected not to disclose such transactions, which are primarily in nature of financing and operational (power, utilities, infrastructure services etc.) related activities, and entered in the normal course of business at commercial terms. Refer note 24 for loan from commercial bank, an entity controlled by ICD.

Related party transactions

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 presented below, or disclosed in the financial statements otherwise:

Notes to the Consolidated Financial Statements (continued)
As at 31 December 2023

	2023 AED'000	2022 AED'000
Associates and Joint Ventures:		
Property development expenses	**13,204**	21,287
Islamic finance income	**955**	2,120
Selling, general and administrative expenses	**8,420**	10,013
Revenue from leasing, retail and related income	**3,063**	2,603
Cost of revenue	**138,937**	111,690
Other operating income	**8,429**	8,169
Key management personnel and their related parties:		
Selling, general and administrative expenses	**73,902**	76,210
Rental income from leased properties and related income	**98,532**	79,338
Finance costs	**23,632**	26,607
Cost of revenue	**4,245**	14,141
Property development expenses	**11,230**	24,240
Other operating income	**38,581**	38,038
Other income	**716,369**	18,095

Related party balances
Related party balances (and the consolidated statement of financial position captions within which these are included) are as follows:

	2023 AED'000	2022 AED'000
Associates and joint ventures:		
Trade and other payables	**8,256**	7,877
Trade and unbilled receivables	**1,314**	1,305
Other assets, receivables, deposits and prepayments	**36,661**	16,030
Key management personnel and their related parties:		
Trade and unbilled receivables	**4,711**	7,483
Other assets, receivables, deposits and prepayments	**32,740**	71,336
Advance from customers	**3,036**	3,117
Trade and other payables	**388,554**	422,070

Compensation of key management personnel
The remuneration of key management personnel during the year was as follows:

	2023 AED'000	2022 AED'000
Short-term benefits	**106,278**	104,259
Long-term incentive	**12,286**	-
Employees' end-of-service benefits	**2,549**	4,101
	121,113	108,360

During the year, Company has considered employees above a specific grade as key management personnel's (KMPs) and aforesaid, including comparative financial information reflecting remuneration related to these KMPs.

Notes to the Consolidated Financial Statements (continued)
As at 31 December 2023

34 Financial Risk Management Objectives and Policies

Overview
The Group has exposure to the following risks from its use of financial instruments:

a) Credit risk;

b) Market risk; and

c) Liquidity risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk and the Group's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Group's senior management are responsible for developing and monitoring the Group's risk management policies and report regularly to the Board of Directors on their activities.

The Group's current financial risk management framework is a combination of formally documented risk management policies in certain areas and informal risk management policies in others. The Group's risk management policies (both formal and informal) are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group's principal financial liabilities, comprise interest-bearing loans and borrowings, sukuk, retentions payable and trade and other payables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various financial assets such as bank balances and cash, trade and unbilled receivables, investment in securities, loan to joint ventures and associates and other receivables and deposits, which arise directly from its operations.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to credit risk principally from its receivables from customers, other receivables and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Total financial assets at amortised cost amounted to AED 54,980,702 thousands (2022 : AED 44,849,672 thousands) as at the reporting date.

Trade, unbilled and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country in which customers operate has less influence on credit risk. The Group earns its revenues from a large number of customers spread across different geographies. However, 98% (2022: 98%) of the Group's trade and unbilled receivables are from the Group's operations that are based in the Middle East and North Africa.

The Group has entered into contracts for the sale of residential and commercial units and plots of land on an instalment basis. The instalments are specified in the contracts. The Group is exposed to credit risk in respect of instalments due. However, the legal ownership of residential, commercial units and plots of land is transferred to the buyer only after all the instalments are recovered. In addition, instalment dues are monitored on an ongoing basis as evidenced by the Group's low level of bad debts.

The Group establishes an allowance for impairment at each reporting date that represents its estimate of expected credit losses in respect of trade, unbilled and other receivables. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group has calibrated the matrix to adjust the historical credit loss experience with forward-looking information.

Other financial assets and cash deposits

With respect to credit risk arising from the other financial assets of the Group, which comprise bank balances and cash, investment in securities, loans to associates and joint ventures, other receivables and deposits, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets.

Credit risk from balances with banks and financial institutions is managed in accordance with the Group's policy. The Group limits its exposure to credit risk by only placing balances with local and international banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations. Investment in securities measured at amortised cost were subject to 12-month ECL and the credit rating was B-.

Guarantees

The Group's policy is to provide financial guarantees only to its subsidiaries and certain associates and joint ventures. For details of guarantees outstanding as at the reporting date refer note 30.

Excessive risk of concentration

Concentration arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentration of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as currency risk, interest rate risk and equity prices risks, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group currently does not hold any derivative financial instruments and when it does, such derivative instruments are not for speculative purposes.

Exposure to interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Interest on financial instruments having floating rates is re-priced at intervals of less than one year and interest on financial instruments having fixed rates is fixed until the maturity of the instrument. Other than commercial and overall business conditions, the Group's exposure to market risk for changes in interest rate environment relates mainly to its borrowing from financial institutions, investment in financial products and fixed deposits.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings):

	2023		2022	
	Changein basis points	Sensitivity of interest expense AED'000	Changein basis points	Sensitivity of interest expense AED'000
Financial liabilities	**± 100**	**22,049**	± 100	40,425

The investments in financial products are not for trading or speculative purposes but placed in securities or fixed deposits, with the objective of achieving better returns than cash at bank. The interest rates on loans to associates and joint ventures are described in note 15 to the consolidated financial statements. Interest rates on loans from financial institutions are disclosed in note 24 to the consolidated financial statements. The Group also carries certain fixed rate financial assets and liabilities, which does not have any significant exposure on interest rate risk.

Exposure to foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's significant monetary assets and liabilities denominated in foreign currencies are either in USD or in currencies pegged to USD. As the AED is currently pegged to the USD, balances in USD and other currencies pegged against USD are not considered to represent significant currency risk.

However, the Group's exposure to the risk of changes in foreign exchange rates primarily relates to the Group's net investments in those subsidiaries and associates where functional currencies are denominated in a different currency from the Group's functional currency and which are not pegged to the AED and USD. The foreign currency exchange differences arising upon consolidation of these entities for the purpose of preparation of the Group's consolidated financial statements are recorded in the consolidated statement of changes in equity through the consolidated statement of comprehensive income.

The table below indicates the sensitivity analysis of a change in foreign exchange rates of the AED to each of these currencies and their impact on other comprehensive income:

	2023		2022	
Currency	Change in currency rate in %	Effect on Comprehensive income AED'000	Change in currency rate in %	Effect on Comprehensive income AED'000
EGP	**+10**	**368,108**	+10	378,241
INR	**+10**	**64,621**	+10	113,755
Other currencies not pegged to US Dollar	**+10**	**(32,356)**	+10	(27,045)

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Exposure to equity price risk

Equity price risk is the risk that the fair values of equities increase or decrease as a result of changes in the levels of equity indices and the value of individual stocks. The non-trading equity price risk exposure arises from the Group's investment portfolio. Equity price risk arises from equity instruments held by the Group at fair value through other comprehensive income and fair value through profit and loss. Management of the Group monitors equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed by qualified fund managers as well as on an individual basis. The primary goal of the Group's investment strategy is to maximise investment returns.The effect on fair value of investment in securities (as a result of a change in the fair value of equity instruments held at fair value through other comprehensive income and fair value through profit and loss as at 31 December) due to a reasonably possible change in equity indices, with all other variables held constant, is as follows:

	2023		2022	
	Change in equity price in %	Effect on equity AED'000	Change in equity price in %	Effect on equity AED'000
Investments	+10	135,052	+10	105,009

Exposure to overseas country risks

Management monitors political and economic events and developments in countries where the Group operates to assess the likelihood of any potential impact to the Group's financial position and results of operations.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. trade and unbilled receivables, other financial assets) and projected cash flows from operations.

The cash flows, funding requirements and liquidity of Group companies are monitored at a centralised level, to optimise the efficiency and effectiveness of the management of the Group's capital resources. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank borrowings and finance lease contracts. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group currently has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments and include contractual interest payments:

Financial liabilities	Within 1 year AED'000	1 to 5 years AED'000	Over 5 years AED'000	Total AED'000
As at 31 December 2023				
Interest-bearing loans and borrowings	1,566,406	2,010,731	-	3,577,137
Retentions payable	920,566	611,035	-	1,531,601
Lease liabilities	155,011	516,907	191,742	863,660
Payable to non-controlling interests	-	247,505	-	247,505
Sukuk	3,056,863	3,511,480	3,948,016	10,516,359
Other liabilities	8,011,201	5,409,674	361,506	13,782,381
Total undiscounted financial liabilities	13,710,047	12,307,332	4,501,264	30,518,643

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

Financial liabilities	Within 1 year AED'000	1 to 5 years AED'000	Over 5 years AED'000	Total AED'000
As at 31 December 2022				
Interest-bearing loans and borrowings	1,755,468	4,290,077	110,963	6,156,508
Retentions payable	1,098,066	522,477	-	1,620,543
Lease liabilities	151,009	502,100	431,651	1,084,760
Payable to non-controlling interests	-	258,720	-	258,720
Dividend payable	285,644	-	-	285,644
Sukuk	364,977	6,429,228	4,087,131	10,881,336
Other liabilities	11,959,784	5,613,368	181,097	17,754,249
Total undiscounted financial liabilities	15,614,948	17,615,970	4,810,842	38,041,760

d) Capital management

Capital includes equity attributable to the equity holders of the Company. The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The primary objective of the Group's capital management strategy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio below 50%. The Group includes within net debt, interest bearing loans and borrowings and sukuk less cash and cash equivalents. Capital includes total equity attributable to the owners of the Company less the net unrealised gains/(losses) reserve. At 31 December 2023, the Groups' gearing ratio is negative 38% (2022: negative 6%). The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Board of Directors also monitors the return on capital, which the Group defines as net operating income attributable to owners of the Company divided by total shareholders' equity, excluding minority interests. The Board of Directors also monitors the level of dividends to shareholders, the return on capital to shareholders or issuance of new shares to maintain or adjust the capital structure.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2023 and 31 December 2022.

Neither the Company nor any of its subsidiaries is subject to externally imposed capital requirements other than the statutory requirements in the jurisdictions where the Group entities are incorporated.

Financial instruments comprise financial assets and financial liabilities.

Financial assets of the Group include bank balances and cash, trade and unbilled receivables, investment in securities, loans and advances, other receivables and due from related parties. Financial liabilities of the Group include customer deposits, interest-bearing loans and borrowings, sukuk, accounts payable, retentions payable and other payable.

The fair values of the financial assets and liabilities are not materially different from their carrying value unless stated otherwise.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2023

35 Subsidiaries with Material NCI

Financial information of subsidiaries of the Group that have material non-controlling interest (NCI) are provided below:

	Country of incorporation	NCI holding 2023	NCI holding 2022
Emaar Development PJSC	UAE	**19.84%**	19.84%
Emaar Misr for Development SAE	Egypt	**11.26%**	11.26%
Emaar India Limited	India	**22.99%**	22.99%

The following table summarises the statement of financial position of these subsidiaries as at 31 December 2023. This information is based on the amounts before inter-company elimination.

	Emaar Development PJSC AED'000	Emaar Misr for Development SAE AED'000	Emaar India Limited AED'000
Total assets	**48,867,773**	**9,424,812**	**6,833,917**
Total liabilities	**22,397,043**	**5,230,919**	**6,169,686**
Total equity	**26,470,730**	**4,193,893**	**664,231**
Attributable to:			
Owners of the Company	**16,909,305**	**3,681,083**	**446,693**
Non-controlling interest	**9,561,425**	**512,810**	**217,538**

The following table summarises the income statement of these subsidiaries for the year ended 31 December 2023. This information is based on the amounts before inter-company elimination.

	Emaar Development PJSC AED'000	Emaar Misr for Development SAE AED'000	Emaar India Limited AED'000
Revenue	**11,921,378**	**1,833,529**	**1,271,240**
Profit/(loss) for the year	**8,484,076**	**799,927**	**(710,322)**
Total comprehensive income for the year	**8,484,076**	**799,927**	**(710,322)**
Attributable to:			
Owners of the Company	**5,313,803**	**709,856**	**(515,467)**
Non-controlling interest	**3,170,273**	**90,071**	**(194,855)**

Notes to the Consolidated Financial Statements (continued)
As at 31 December 2023

The following table summarises the statement of financial position of these subsidiaries as at 31 December 2022. This information is based on the amounts before inter-company elimination.

	Emaar Development PJSC AED'000	Emaar Misr for Development SAE AED'000	Emaar India Limited AED'000
Total assets	42,474,437	10,213,119	8,026,414
Total liabilities	22,402,884	5,905,047	6,661,829
Total equity	20,071,553	4,308,072	1,364,585
Attributable to:			
Owners of the Company	13,680,401	3,782,406	964,239
Non-controlling interest	6,391,152	525,666	400,346

The following table summarises the income statement of these subsidiaries for the year ended 31 December 2022. This information is based on the amounts before inter-company elimination.

	Emaar Development PJSC AED'000	Emaar Misr for Development SAE AED'000	Emaar India Limited AED'000
Revenue	11,540,904	2,893,441	892,313
Profit/(loss) for the year	4,265,078	1,303,091	(301,997)
Total comprehensive income for the year	4,265,078	1,303,091	(301,997)
Attributable to:			
Owners of the Company	3,046,599	1,156,364	(232,326)
Non-controlling interest	1,218,479	146,727	(69,671)

NOTE

EMAAR

Emaar Properties PJSC

emaar.com