Dubai Investments

2023

INTEGRATED REPORT

Dubai Investments PJSC and its subsidiaries

Directors' report and consolidated financial statements
For the year ended 31 December 2023

Directors' report

The Board of Directors ("the Board") of Dubai Investments PJSC ("the Company") is pleased to present their report along with the audited consolidated financial statements of the Company and its subsidiaries (together, "the Group") for the year ended 31 December 2023.

Principal activities

The Group is primarily involved in development of real estate for sale and leasing, contracting activities, manufacturing and trading of products in various sectors, investment banking, asset management, financial investments, healthcare and education.

Financial performance

The Group has reported profit attributable to the shareholders of the Company of AED 1,130.94 million for the year ended 31 December 2023 as compared to AED 1,608.57 million in the previous year.

The Group has reported higher profits by AED 502.79 million if adjusted for the one-off gain on disposal of controlling interest and fair value gain on retained investment in Emirates District Cooling LLC amounting to AED 980.42 million in previous year. The higher profits are mainly due to higher fair valuation gain on investment properties, fair valuation gain on investments and gain on sale of investments.

Total assets of the Group stands at AED 21.44 billion as of 31 December 2023 (2022: AED 20.47 billion).

Dividend

In line with its commitment to provide enhanced returns to shareholders, the Board propose to distribute cash dividend of 12.5% (AED 0.125 per share) to the shareholders of the Company for the year 2023.

At the General Meeting held on 26 April 2023, the shareholders had approved a 12.5% (AED 0.125 per share) cash dividend proposed by the Board of Directors. The dividend amounting to AED 531.50 million was distributed in May 2023.

Further, at the General Meeting held on 12 September 2022, the shareholders approved a 7.5 % (AED 0.075 per share) interim cash dividend amounting to AED 318.90 million proposed by the Board of Directors which was distributed in October 2022.

Proposed appropriations

The Directors propose the following appropriation from the Company's retained earnings:

	AED'000
Transfer to legal reserve	88,462
Proposed cash dividend	531,503

Directors' fees

Proposed Directors' fees amounting to AED 18 million has been included under administrative expenses.

Outlook 2024

The Group expects the positive momentum to continue in 2024 given the robust growth in real estate sector. The Group will focus on execution of key real estate projects launched in 2023 and deliver greater value for our shareholders. The Group is well poised to expand its presence in MENA with several proposals under active consideration.

Director's report (continued)

Directors

The Board of Directors comprise:

Mr. Abdulrahman Ghanem Abdulrahman Almutaiwee - Chairman
Mr. Khalid Jassim Mohammed Bin Kalban - Vice Chairman
Mr. Ali Fardan Ali Al Fardan
Mr. Mohammed Saif Darwish Ahmed Al Ketbi
Mr. Khaled Mohammed Ali Al Kamda
Mr. Ahmed Salem Abdulla Salem Alhosani
Mr. Faisal Abdulaziz Alshaikh mohamed Alkhazraji
Mr. Hussain Nasser Ahmed Lootah
Ms. Hind Abdulrahman AlAli

Related parties

The consolidated financial statements disclose material related party balances and transactions in Notes 19, 24 and 35 respectively. All transactions are carried out in the normal course of business and in compliance with applicable laws and regulations.

Auditors

PricewaterhouseCoopers ("PwC") were appointed as the auditors of Dubai Investments PJSC for the year ended 31 December 2023. The Board of Directors, in compliance with requirements to rotate auditors, propose to appoint KPMG Lower Gulf Limited ("KPMG") for the audit of the year ending 31 December 2024.

Acknowledgment

The Board would like to express their gratitude and appreciation to all its shareholders, client and business partners whose continued support has been a source of great strength and encouragement.

The Board would also like to place on record their commendation for the hard work and efforts put in by Group management and staff as well as their loyalty and perseverance for the benefit of the Company and its shareholders.

On behalf of the Board

Abdulrahman Ghanem Abdulrahman Almutaiwee
Chairman

7 March 2024

Independent auditor's report to the shareholders of Dubai Investments PJSC

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Dubai Investments PJSC (the "Company") and its subsidiaries (together, 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.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of profit or loss for the year ended 31 December 2023;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of changes in equity for the year ended 31 December 2023;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

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 *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our audit approach

Overview

Key Audit Matter	• Valuation of investment properties

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

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Our audit approach (continued)

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.

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties	
The Group's investment property portfolio comprises land with associated infrastructure and ancillary facilities, residential units, retail and commercial facilities, labour camps, warehouses and plots of land which are under development or are earmarked for future development. The Group's accounting policy is to state its investment properties at fair value at each reporting date. As at 31 December 2023, the property portfolio is valued at AED 10.10 billion. The net fair value gain recorded in the consolidated statement of profit or loss for the year ended 31 December 2023 amounted to AED 702.63 million. The valuation of the Group's investment property portfolio is inherently subjective due to, among other factors, the individual nature of each property, its location, the expected future market rentals, discount rate and associated capitalisation yield rates for the investment properties valued under the "income capitalisation approach" or "income valuation approach" (together, the "income approach") and comparable selling prices for the investment properties that have been valued using the "sales comparison approach". The valuations of all of the investment property portfolio were carried out as at 31 December 2023 by independent registered valuers (the "Valuers"). The Valuers were engaged by management and they performed their work in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation – Global Standards taking into account the requirements of IFRS 13 – 'Fair Value Measurements'. The investment properties portfolio is valued by using either the income approach or sales comparison approach. In determining a property's valuation, the Valuers take into account property specific information such as the current contracted tenancy agreements. The Valuers apply certain assumptions such as capitalisation yield rates, estimated future market rent, discount rates and market sales rates which are influenced by prevailing market yields and comparable market transactions and specific characteristics, such as property location and occupancy rate of each property in the portfolio, to arrive at the final valuation.	We assessed the competence, capabilities and objectivity of the Valuers engaged by the Group's management. We obtained the valuation reports for the properties valued by the Valuers and assessed whether the valuation approach used and methodology adopted by the Valuers is appropriate for determining the fair value of the investment properties for the purpose of the consolidated financial statements of the Group. Further, we determined, based on our judgement, the key valuation assumptions used within each property valuation, such as capitalisation yield rates, future market rental cashflows, discount rate, outgoing expenses and market sales rates, and reviewed those for reasonableness. We involved our internal real estate valuation experts to review a sample of these valuation reports to assess the appropriateness of the valuation approach used, methodology adopted and to review the reasonableness of the key valuation assumptions used. Alongside our internal real estate valuation experts, we also held discussions with the Group's management and the Valuers to assess the appropriateness of the valuation approach used, methodology adopted and reasonableness of the key valuation assumptions used. We performed audit procedures to assess whether the property specific information used for the valuations is reasonable by comparing it, on a sample basis, to underlying supporting records such as the current contracted tenancy agreements. We reviewed the sensitivity analysis performed by the Group's management of the key assumptions used in the valuation models to assess the potential impact on the resultant valuations. We assessed the adequacy of the disclosures in Notes 12 and 40 to the consolidated financial statements.

Independent auditor's report to the shareholders of Dubai Investments PJSC (continued)

Our audit approach (continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties (continued) The significance of the estimates and judgements involved in the valuations warranted specific audit focus in this area, as any significant variation in determination of the valuation inputs could have a material impact on the value of the Group's investment properties and fair value gain or loss recognised in respect of these investment properties. Refer to Notes 12 and 40 to the consolidated financial statements which includes the disclosures regarding the use of estimates and judgements by management in determining the fair valuation of investment properties.	

Other information

The Board of Directors and management are responsible for the other information. The other information comprises the Directors' report (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Group's integrated report, which is expected to be made available to us after that date.

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 obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Group's integrated report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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.

Independent auditor's report to the shareholders of Dubai Investments PJSC (continued)

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 auditor's 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.

Independent auditor's report to the shareholders of Dubai Investments PJSC (continued)

Report on other legal and regulatory requirements

Further, as required by the UAE Federal Decree Law No. (32) of 2021, we report that:

i) we have obtained all the information 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 Notes 13, 15 and 37 to the consolidated financial statements, the Group has purchased or invested in shares during the year ended 31 December 2023;

vi) Note 35 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 year ended 31 December 2023 any of the applicable provisions of the UAE Federal Decree Law No. (32) of 2021, or in respect of the Company, its Memorandum and Articles of Association, which would materially affect its activities or its financial position as at 31 December 2023; and

viii) Note 7 to the consolidated financial statements discloses the social contributions made during the year ended 31 December 2023.

PricewaterhouseCoopers Limited Partnership Dubai Branch
7 March 2024

Murad Alnsour
Registered Auditor Number 1301
Dubai, United Arab Emirates

Consolidated statement of profit or loss

	Note	For the year ended 31 December 2023 AED'000	 2022 AED'000
Sale of goods and provision of services		**1,147,824**	1,446,379
Rental income		**969,739**	866,679
Contract revenue		**186,647**	242,660
Sale of properties		**826,983**	437,065
Gain on fair valuation of investment properties	12	**702,633**	181,749
Gain/(loss) on fair valuation of investments	13	**107,010**	(22,934)
Gain on sale of investment properties	12	**1,100**	-
Gain on sale of investments		**42,505**	11,784
Share of profit from equity accounted investees	15(iii)	**72,555**	59,370
Dividend income		**48,899**	40,448
Gain on disposal of controlling interest in a subsidiary and fair value gain on retained investment	38	**-**	980,415
Bargain purchase gain	15(ii)(b)	**-**	11,479
Total income		**4,105,895**	4,255,094
Cost of sales and providing services	6	**(2,045,011)**	(1,959,019)
Administrative expenses	7	**(524,287)**	(506,030)
Finance costs	8	**(428,108)**	(249,701)
Net impairment losses on trade receivables	5	**(140,026)**	(161,487)
Finance income	8	**58,707**	151,753
Other income	9	**41,481**	34,417
Profit before tax		**1,068,651**	1,565,027
Income tax expenses	39	**(19,530)**	-
Profit after tax		**1,049,121**	1,565,027
Profit after tax attributable to:			
Owners of the Company		**1,130,937**	1,608,565
Non-controlling interests		**(81,816)**	(43,538)
Profit after tax		**1,049,121**	1,565,027
Earnings per share			
Basic and diluted earnings per share (AED)	31	**0.27**	0.38

The notes on pages 16 to 76 are an integral part of these consolidated financial statements.

Dubai Investments PJSC and its subsidiaries

Consolidated statement of comprehensive income

		For the year ended 31 December	
		2023	**2022**
	Note(s)	**AED'000**	**AED'000**
Profit after tax		**1,049,121**	1,565,027
Other comprehensive income ("OCI"):			
Items that will not be reclassified to profit or loss			
Net change in fair value of investments at fair value through OCI	13(c)	**25,298**	6,100
Share of other comprehensive loss of equity accounted investees'	15	**(1,072)**	(4,650)
Gain on revaluation of property and equipment being transferred to investment properties	10,28	**13,186**	-
Total other comprehensive income for the year		**37,412**	1,450
Total comprehensive income for the year		**1,086,533**	1,566,477
Attributable to:			
Owners of the Company		**1,151,742**	1,609,461
Non-controlling interests		**(65,209)**	(42,984)
Total comprehensive income for the year		**1,086,533**	1,566,477

Dubai Investments PJSC and its subsidiaries

Consolidated statement of financial position

	Note	As at 31 December 2023 AED'000	2022 AED'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	**1,486,999**	1,693,639
Right-of-use-assets	23	**323,079**	347,774
Goodwill and intangible assets	11	**242,447**	252,110
Investment properties	12	**10,099,681**	9,692,168
Investments at fair value through other comprehensive income	13	**84,839**	59,542
Other financial assets at fair value through profit or loss	14	**38,706**	43,928
Investment in equity accounted investees'	15	**1,506,287**	1,528,464
Rent receivable	16	**46,529**	38,548
Inventories	17	**21,356**	253,680
Trade receivables	18	**408,950**	237,594
Due from related parties and other receivables	19	**5,650**	13,388
		14,264,523	14,160,835
Current assets			
Inventories	17	**1,350,632**	1,209,628
Investments at fair value through profit or loss	13	**2,023,908**	1,757,842
Trade receivables	18	**1,957,390**	1,794,354
Due from related parties and other receivables	19	**463,540**	581,376
Short-term deposits with banks	20	**69,102**	110,138
Cash and cash equivalents	20	**1,166,702**	853,082
Asset held for sale	12	**142,000**	-
		7,173,274	6,306,420
Total assets		**21,437,797**	20,467,255
EQUITY AND LIABILITIES			
EQUITY			
Share capital	25	**4,252,020**	4,252,020
Share premium	25	**46**	46
Capital reserve	26	**25,502**	25,502
Legal reserve	27	**1,579,751**	1,491,289
General reserve	27	**1,433,939**	1,445,397
Fair value reserve	28	**(172,173)**	(192,978)
Proposed dividend	29	**531,503**	531,503
Retained earnings		**5,810,370**	5,287,593
Equity attributable to owners of the Company		13,460,958	12,840,372
Non-controlling interests	36	**204,922**	196,602
Total equity		**13,665,880**	13,036,974

Dubai Investments PJSC and its subsidiaries

Consolidated statement of financial position (continued)

		As at 31 December	
		2023	2022
	Note	**AED'000**	AED'000
LIABILITIES			
Non-current liabilities			
Long-term bank borrowings	21	**3,541,844**	3,754,952
Lease liabilities	23	**329,907**	342,760
Other payables	24	**72,937**	108,803
Deferred tax liability	39	**19,530**	-
Total non-current liabilities		**3,964,218**	4,206,515
Current liabilities			
Bank borrowings	22	**1,789,747**	1,466,893
Lease liabilities	23	**36,533**	39,730
Due to related parties, trade and other payables	24	**1,981,419**	1,717,143
		3,807,699	3,223,766
Total liabilities		**7,771,917**	7,430,281
Total equity and liabilities		**21,437,797**	20,467,255

To the best of our knowledge, the consolidated financial statements fairly presents, 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.

These consolidated financial statements were authorised for issue by the Board of Directors on 7 March 2024 and signed on its behalf by:

Abdulrahman Ghanem Almutaiwee
Chairman

Khalid Jassim Bin Kalban
Vice Chairman & Chief Executive Officer

Consolidated statement of changes in equity

	Equity attributable to owners of the Company										
	Share capital AED'000	**Share premium** AED'000	**Capital reserve** AED'000	**Legal reserve** AED'000	**General reserve** AED'000	**Fair value reserve** AED'000	**Proposed dividend** AED'000	**Retained earnings** AED'000	**Sub-total** AED'000	**Non-controlling interests** AED'000	**Total** AED'000
Balance at 1 January 2023	4,252,020	46	25,502	1,491,289	1,445,397	(192,978)	531,503	5,287,593	12,840,372	196,602	13,036,974
Total comprehensive income for the year											
Profit after tax for the year	-	-	-	-	-	-	-	1,130,937	1,130,937	(81,816)	1,049,121
Other comprehensive income											
Net change in fair value of investments at fair value through OCI (Note 13 (c))	-	-	-	-	-	8,691	-	-	8,691	16,607	25,298
Share of other comprehensive loss of equity accounted investees (Note 15)	-	-	-	-	-	(1,072)	-	-	(1,072)	-	(1,072)
Gain on revaluation of property and equipment being transferred to investment properties (Note 10)	-	-	-	-	-	13,186	-	-	13,186	-	13,186
Total other comprehensive income for the year	-	-	-	-	-	**20,805**	-	-	**20,805**	**16,607**	**37,412**
Total comprehensive income for the year	-	-	-	-	-	**20,805**	-	**1,130,937**	**1,151,742**	**(65,209)**	**1,086,533**
Transactions with owners, in the capacity of owners											
Contributions by and distributions to owners											
Dividend paid (Note 29)	-	-	-	-	-	-	(531,503)	-	(531,503)	-	(531,503)
Proposed dividend (Note 29)	-	-	-	-	-	-	531,503	(531,503)	-	-	-
Dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	(7,293)	(7,293)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	**(531,503)**	**(531,503)**	**(7,293)**	**(538,796)**
Changes in ownership interests											
Acquisition of non-controlling interests (Note 37 (b) (i))	-	-	-	-	-	-	-	347	347	(6,998)	(6,651)
Contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	87,820	87,820
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	**347**	**347**	**80,822**	**81,169**
Total transactions with owners in the capacity of owners	-	-	-	-	-	-	-	**347**	**(531,156)**	**73,529**	**(457,627)**
Other movements											
Transfers	-	-	-	-	(11,458)			11,458	-	-	-
Transfer to reserves	-	-	-	88,462	-	-	-	(88,462)	-	-	-
Total other movements	-	-	-	88,462	(11,458)	-	-	(77,004)	-	-	-
Balance at 31 December 2023	**4,252,020**	**46**	**25,502**	**1,579,751**	**1,433,939**	**(172,173)**	**531,503**	**5,810,370**	**13,460,958**	**204,922**	**13,665,880**

The notes on pages 16 to 76 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity (continued)

	Equity attributable to owners of the Company											
	Share capital AED'000	**Share premium** AED'000	**Capital reserve** AED'000	**Legal reserve** AED'000	**General reserve** AED'000	**Fair value reserve** AED'000	**Proposed dividend** AED'000	**Proposed directors' fee** AED'000	**Retained earnings** AED'000	**Sub-total** AED'000	**Non-controlling interests** AED'000	**Total** AED'000
Balance at 1 January 2022	4,252,020	46	25,502	1,278,017	1,445,397	(191,854)	510,242	12,000	4,740,221	12,071,591	224,721	12,296,312
Total comprehensive income for the year												
Profit for the year	-	-	-	-	-	-	-	-	1,608,565	1,608,565	(43,538)	1,565,027
Other comprehensive income												
Net change in fair value of investments at fair value through OCI (Note 13 (c))	-	-	-	-	-	5,546	-	-	-	5,546	554	6,100
Share of other comprehensive loss of equity accounted investees	-	-	-	-	-	(4,650)	-	-	-	(4,650)	-	(4,650)
Total other comprehensive income for the year	-	-	-	-	-	896	-	-	-	896	554	1,450
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**896**	**-**	**-**	**1,608,565**	**1,609,461**	**(42,984)**	**1,566,477**
Transactions with owners, in the capacity of owners												
Contributions by and distributions to owners												
Dividend paid (Note 29)	-	-	-	-	-	-	(510,242)	-	(318,901)	(829,143)	-	(829,143)
Proposed dividend (Note 29)	-	-	-	-	-	-	531,503	-	(531,503)	-	-	-
Dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	-	(2,409)	(2,409)
Total contributions by and distributions to owners	**-**	**-**	**-**	**-**	**-**	**-**	**21,261**	**-**	**(850,404)**	**(829,143)**	**(2,409)**	**(831,552)**
Changes in ownership interests												
Acquisition of non-controlling interests (Note 37 (b) (i))	-	-	-	-	-	-	-	-	463	463	(7,389)	(6,926)
Disposal of controlling interest in a subsidiary (Note 38)	-	-	-	(33,077)	-	-	-	-	33,077	-	4,118	4,118
Contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	20,545	20,545
Total changes in ownership interests in subsidiaries	**-**	**-**	**-**	**(33,077)**	**-**	**-**	**-**	**-**	**33,540**	**463**	**17,274**	**17,737**
Total transactions with owners in the capacity of owners	**-**	**-**	**-**	**(33,077)**	**-**	**-**	**21,261**	**-**	**(816,864)**	**(828,680)**	**14,865**	**(813,815)**
Other movements												
Transfer to reserves	-	-	-	246,349	-	-	-	-	(246,349)	-	-	-
Transfer of profit on disposal of equity investments at fair value through OCI to retained earnings	-	-	-	-	-	(2,020)	-	-	2,020	-	-	-
Directors' fees paid	-	-	-	-	-	-	-	(12,000)	-	(12,000)	-	(12,000)
Total other movements	-	-	-	246,349	-	(2,020)	-	(12,000)	(244,329)	(12,000)	-	(12,000)
Balance at 31 December 2022	**4,252,020**	**46**	**25,502**	**1,491,289**	**1,445,397**	**(192,978)**	**531,503**	**-**	**5,287,593**	**12,840,372**	**196,602**	**13,036,974**

Dubai Investments PJSC and its subsidiaries

Consolidated statement of cash flows

	Note(s)	For the year ended 31 December 2023 AED'000	 2022 AED'000
Cash flows from operating activities			
Profit before tax for the year		**1,068,651**	1,565,027
Adjustments for:			
Depreciation and amortisation of right of use of asset	10,23	**152,184**	173,435
Amortisation of intangible assets	11	**13,568**	20,827
Impairment losses on property, plant and equipment and intangible assets	10,11	**41,547**	11,673
Revaluation loss on assets transferred from property, plant and equipment to investment properties	10	**24,119**	-
Gain on disposal of property, plant and equipment	9	**(174)**	(780)
Gain on sale of investment properties	12	**(1,100)**	-
Gain on sale of investments		**(42,505)**	(11,784)
Gain on disposal of controlling interest in a subsidiary	38	**-**	(980,415)
Gain on fair valuation of investment properties	12	**(702,633)**	(181,749)
Share of profit from equity accounted investees	15(iii)	**(72,555)**	(59,370)
(Gain)/loss on fair valuation of investments	13	**(107,010)**	22,934
Net impairment losses on trade receivables	5	**140,026**	161,487
Reversal for write down of inventories to net realisable value	6	**(46,551)**	(10,329)
Bargain purchase gain	15(ii)(b)	**-**	(11,479)
Finance income	8	**(58,707)**	(151,753)
Finance costs	8	**428,108**	249,701
Operating profit before changes in working capital		**836,968**	797,425
Changes in:			
Investments at fair value through profit or loss and OCI		**(116,550)**	(102,764)
Trade receivables, due from related parties and other receivables		**(327,416)**	(321,808)
Inventories		**660,910**	370,244
Due to related parties, trade and other payables		**245,910**	33,918
Directors' fee paid		**(17,500)**	(12,000)
Net cash generated from operating activities		**1,282,322**	765,015
Cash flows from investing activities			
Consideration paid for acquisition of non controlling interest		**(6,651)**	(6,926)
Net cash received on disposal of controlling interest in a subsidiary	38	**-**	1,113,081
Additions to investment properties	12	**(351,629)**	(161,967)
Proceeds from disposal of investment properties	12	**97,001**	
Acquisition of property, plant and equipment	10	**(75,572)**	(80,519)
Proceeds from disposal of property, plant and equipment		**1,065**	7,630
Dividend received from equity accounted investees'	15	**136,622**	122,237
Investments in equity accounted investees'	15	**(42,962)**	(37,901)
Return of capital contribution by equity accounted investee	15	**-**	1,750
Movement in short term deposits		**41,036**	(21,395)
Additions to intangible assets	11	**(3,905)**	(1,038)
Net cash (used in) /generated from investing activities		**(204,995)**	934,952

Consolidated statement of cash flow (continued)

	Note	For the year ended 31 December 2023 AED'000	2022 AED'000
Cash flows from financing activities			
Proceeds from bank borrowings		**1,183,307**	1,316,260
Repayment of bank borrowings		**(1,028,962)**	(1,857,240)
Principal elements of lease payments		**(28,889)**	(30,727)
Interest expenses on lease liabilities	8	**(27,635)**	(29,335)
Equity contribution by non-controlling interests		**87,820**	20,545
Dividend paid to non-controlling interests		**(7,293)**	(2,409)
Dividend paid		**(531,503)**	(829,143)
Finance income received	8	**31,937**	45,443
Finance costs paid	8	**(391,460)**	(220,366)
Net cash used in financing activities		**(712,678)**	(1,586,972)
Net increase in cash and cash equivalents		**364,649**	112,995
Cash and cash equivalents at 1 January		**622,133**	509,138
Cash and cash equivalents at 31 December		**986,782**	622,133
Cash and cash equivalents comprise the following:			
Cash in hand, current and call account with banks	20	**1,049,116**	437,748
Short term deposits with banks (excluding those under lien)	20	**117,586**	415,334
Bank overdraft, trust receipt loans and bills discounted	22	**(179,920)**	(230,949)
		986,782	622,133

1 Reporting entity

Dubai Investments PJSC ("the Company") was incorporated in the United Arab Emirates by Ministerial Resolution No. 46 of 1995, on 16 July 1995. The consolidated financial statements for the year ended 31 December 2023 comprise the financial statements of the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interest in associates and joint arrangements.

The Group is primarily involved in development of real estate for sale and leasing, contracting activities, manufacturing and trading of products in various sectors, district cooling, investment banking, asset management, financial investments, healthcare and education.

At 31 December 2023 the Company had 15,410 shareholders (2022: 15,583 shareholders).

The registered address of the Company is P.O. Box 28171, Dubai, United Arab Emirates ("UAE").

2 Basis of preparation

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards ("IFRSs") and interpretations issued by the IFRS Interpretations Committee ("IFRS IC") and the applicable requirements of the UAE Federal Decree Law No. 32 of 2021.

2.2 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the following which are measured at fair value:

- investment properties;
- investments at fair value through other comprehensive income;
- investments at fair value through profit or loss; and
- other financial assets at fair value through profit or loss.

2.3 Functional and presentation currency

These consolidated financial statements are presented in United Arab Emirate Dirham ("AED"), which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.4 Use of judgments and estimates

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about judgments in applying accounting policies, assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the consolidated financial statements is included in Note 40.

2 Basis of preparation (continued)

2.5 Measurement of fair values

A number of the Group's accounting policies and disclosures require the determination of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a management team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values. The management team regularly reviews significant unobservable inputs and valuation adjustments.

If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Audit Committee.

When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the significant assumptions made in measuring fair values is included in the following Notes:

- Note 12 – Investment properties;
- Note 13 – Financial investments; and
- Note 14 – Other financial assets at fair value through profit or loss

3 Corporate Tax Law

On 9 December 2022 UAE Federal Decree Law No. 47 of 2022 was published setting in place a general corporate income tax for the first time. The profit threshold of AED 375,000 at which the 9% tax will apply was set in place by Cabinet Decision No. 116 of 2022 which was published on 16 January 2023 and at this point the tax law was considered enacted and substantively enacted for accounting purposes.

While current taxes are not payable on profits generated before the Groups' financial year commencing on 1 January 2024, the existence of an enacted tax law results in the need to immediately record deferred taxes on assets and liabilities where the carrying amount differs from the tax base. The material accounting policies in respect of current and deferred tax are disclosed in Note 42.

3 Corporate Tax Law (continued)

As a result of the enactment / substantial enactment of Corporate tax, management performed assessment of deferred tax, with the help of an external consultant, for application of IAS 12 taking into consideration the cabinet decisions with respect to adjustments for temporary an permanent differences. Based on the assessment, the Group recorded a deferred tax liability amounting to AED 19.53 million as at 31 December 2023 as disclosed in Note 39.

4 Standards issued

(a) New accounting standards, amendments and interpretations – effective for the financial year beginning 1 January 2023 adopted by the Group.

The Group has applied the following amendments to standards for the first time for its annual reporting period commencing 1 January 2023:

1) Disclosure of Accounting Policies - amendments to IAS 1 and IFRS Practice Statement 2
2) Definition of Accounting Estimates - amendments to IAS 8
3) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to IAS 12

The amendments listed above did not have any impact on the amounts recognised in prior periods and current period and are not expected to significantly affect the future periods.

(b) New standards, amendments and interpretations – not effective for the financial year beginning 1 January 2023 and not early adopted by the Group

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group’s consolidated financial statements are disclosed below:

1) Classification of Liabilities as Current or Non-Current - amendments to IAS 1 (effective from 1 January 2024)
2) Lease liabilities in a Sale and Leaseback - Amendment to IFRS 16 (effective from 1 January 2024)
3) Non-current liabilities with covenants - amendments to IAS 1 (effective from 1 January 2024)

These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

5 Financial risk management

Overview

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

Risk management framework

The Company’s Board of Directors has overall responsibility for the establishment and oversight of the Group’s risk management framework. The Board of Directors has established a Risk Committee which is responsible for developing and monitoring the Group’s risk management policies and processes. The Group Risk Function reports quarterly to the Risk Committee in line with its ERM Manual. The Risk Committee regularly reviews risk management policies and systems to reflect changes in market conditions and Group’s activities.

The Risk Committee oversees compliance with the Group’s risk management policies and procedures and reviews the adequacy and effectiveness of the risk management framework, processes and systems. Group Internal Audit undertakes an annual review of the Group Risk Function controls and procedures, the results of which are reported to the Audit Committee.

5 Financial risk management (continued)

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, and arises principally from the Group's trade receivables, due from related parties and other receivables, retention receivables, short-term deposits with banks and cash and cash equivalents.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2023 AED'000	2022 AED'000
Trade receivables (net) (Note 18)	**2,366,340**	2,031,948
Cash and cash equivalents (excluding cash in hand) (Note 20)	**1,164,854**	851,565
Due from related parties and other receivables (Note 19)	**361,825**	472,931
Investments in bonds and structured funds	**302,216**	298,948
Short-term deposits with banks (Note 20)	**69,102**	110,138
Rent receivable (Note 16)	**46,529**	38,548
	4,310,866	3,804,078

The maximum exposure to credit risk of trade receivables at the reporting date by geographical region was:

	2023 AED'000	2022 AED'000
Domestic	**2,261,266**	1,871,669
Other GCC countries	**59,288**	82,667
Other regions	**45,786**	77,612
	2,366,340	2,031,948

(a) Trade receivables, rent receivables, due from related parties and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk.

The Group seeks to limit its credit risk with respect to customers by reviewing credit to individual customers by tracking their historical business relationship and default risk. On a case-to-case basis subsidiaries operating in the property segment sell its properties subject to retention of title clauses, so that in the event of non-payment the Group may have a secured claim. In case of leases, advances are received at the time of signing of the agreement and all construction, renovation or any kind of work to be carried out at the leased premises needs prior approval from the Group. The risk of default in instalment is thereby mitigated as the customer (tenant) has incurred significant capital expenditure on the leased premises which can be taken over by the Group in the event of default. In monitoring customer credit risk, customers are grouped according to their credit characteristics, history with the entity and existence of previous financial difficulties.

5 Financial risk management (continued)

Credit risk (continued)

(a) Trade receivables, rent receivables, due from related parties and other receivables (continued)

The Group applies the IFRS 9 simplified approach on trade and other receivables to measure the expected credit losses which uses a lifetime expected loss allowance for all trade receivables and other receivables. The identified impairment loss was considered immaterial for due from related parties.

To measure the expected credit losses, trade receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Based on existing credit risk management practices, the default definition has been determined which aptly captures the gradual deterioration of the receivables under consideration.

The collaterals get factored through loss given default estimates and hence are used to adjust exposure while computing expected credit loss. The Group limits its exposure to credit risk by investing with counterparties that have credible market reputation. The Group's management does not expect any significant counterparty to fail to meet its obligations.

Overall, the Group has a diversified customer base with no significant concentration of credit risk within trade receivables at 31 December 2023 and 2022 except for one customer that accounts for 24 % (2022: 27%) of the gross trade receivables.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2023	2022
	AED'000	AED'000
As at 1 January	**379,166**	260,382
Net impairment loss recognized	**140,026**	161,487
Write off during the year	**-**	(25,149)
On disposal of controlling interest in a subsidiary (Note 38)	-	(17,554)
As at 31 December	**519,192**	379,166

5 Financial risk management (continued)

Credit risk (continued)

(a) Trade receivables, rent receivables, due from related parties and other receivables (continued)

The impairment provision as at 31 December 2023 was determined for the trade receivables within the real estate business, as follows, based on management assessment of default period being 180 days from the date the counter party fails to make contractual payment:

AED' 000	**Current**	**More than 180 days overdue**	**More than 365 days overdue**	**Total**
31 December 2023				
Expected loss rate	**1%**	**2%**	**4%**	
Gross carrying amount – trade receivables	**827,513**	**538,830**	**1,010,246**	**2,376,589**
Loss allowance	**9,065**	**10,137**	**36,994**	**56,196**

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2022				
Expected loss rate	2%	4%	4%	
Gross carrying amount – trade receivables	722,168	343,186	779,148	1,844,502
Loss allowance	13,171	13,595	27,381	54,147

In addition to the above loss allowance, the Group has recognised specific impairment provision of AED 308.2 million (2022: AED 187.6 million) as of 31 December 2023.

The impairment provision as at 31 December 2023 was determined for the trade receivables within the manufacturing and services business, as follows, based on management assessment of default period being 90 days from the date the counter party fails to make contractual payment:

AED' 000	**Current**	**More than 180 days overdue**	**More than 365 days overdue**	**Total**
31 December 2023				
Expected loss rate	**1%**	**6%**	**62%**	
Gross carrying amount – trade receivables	**263,176**	**41,550**	**118,884**	**423,610**
Loss allowance	**3,301**	**2,504**	**73,364**	**79,169**

5 Financial risk management (continued)

Credit risk (continued)

(a) Trade receivables, rent receivables due from related parties and other receivables (continued)

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2022				
Expected loss rate	2%	34%	47%	
Gross carrying amount – trade receivables	319,256	23,011	117,404	459,671
Loss allowance	6,918	7,724	55,156	69,798

In addition to the above loss allowance, the Group has recognised specific impairment provision of AED 37 million (2022: AED 31 million) as of 31 December 2023.

The impairment provision as at 31 December 2023 was determined for the trade receivables within the contracting business, as follows, based on management assessment of default period being 365 days from the date the counter party fails to make contractual payment, which is based on the customary business practice in the contracting business:

AED' 000	**Current**	**More than 180 days overdue**	**More than 365 days overdue**	**Total**
31 December 2023				
Expected loss rate	**5%**	**2%**	**63%**	
Gross carrying amount – trade receivables	**23,781**	**8,848**	**52,694**	**85,323**
Loss allowance	**1,250**	**166**	**33,011**	**34,427**

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2022				
Expected loss rate	3%	4%	67%	
Gross carrying amount – trade receivables	56,009	5,336	45,596	106,941
Loss allowance	1,422	234	30,765	32,421

In addition to the above loss allowance, the Group has recognised specific impairment provision of AED 4.2 million (2022: AED 4.2 million) as of 31 December 2023.

5 Financial risk management (continued)

Credit risk (continued)

(b) Investments in bonds and structured funds

All of the Group's investments are considered to have low credit risk, and the loss allowance recognised is therefore limited to 12 months' expected losses. Management consider 'low credit risk' where they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

The Group limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties that have credible market reputation.

The Group monitors changes in credit risk by tracking published external credit ratings. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings, the Group supplements this by reviewing changes in bond yields.

While investments in bonds and structured funds are subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(c) Cash and cash equivalents and short-term deposits with banks

Cash is placed with local and international banks of good credit reputation. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The cash and cash equivalents at the balance sheet date is placed with local and international banks having credit ratings A2 to Baa1.

Cash and cash equivalents and short-term deposits with banks are also subject to the impairment requirements of IFRS 9. For cash and cash equivalents and short-term deposits the probability of default is derived from benchmarking and default rate studies conducted by external rating agencies. Loss given default estimate is taken from Basel guidelines. The identified impairment loss on cash and cash equivalents and short term deposits with banks were insignificant.

There is no significant concentration of credit risk with respect to cash and cash equivalents, as the Group holds cash accounts in a number of diversified financial institutions.

5 Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group aims to maintain the level of cash and cash equivalents and other liquid investments at an amount in excess of expected cash outflows on financial liabilities. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual maturities of financial liabilities, including estimated interest payments

	Carrying amount AED'000	Contractual cash flows AED'000	Within 1 year AED'000	1-2 years AED'000	2-3 years AED'000	More than 3 years AED'000
31 December 2023						
Non-derivative financial liabilities						
Borrowings (Notes 21 and 22)	**5,331,591**	**(6,444,761)**	**(2,181,069)**	**(719,900)**	**(1,329,726)**	**(2,214,066)**
Lease liabilities (Note 23)	**366,440**	**(580,740)**	**(66,661)**	**(65,971)**	**(68,198)**	**(379,910)**
Due to related parties, trade and other payables (Note 24)	**1,533,677**	**(1,533,677)**	**(1,533,677)**	**-**	**-**	**-**
Other long-term liabilities (Note 24)	**72,937**	**(82,212)**	**(20,538)**	**(20,538)**	**(41,136)**	**-**
	7,304,645	**(8,641,390)**	**(3,801,945)**	**(806,409)**	**(1,439,060)**	**(2,593,976)**
31 December 2022						
Non-derivative financial liabilities						
Borrowings (Notes 21 and 22)	5,221,845	(6,051,023)	(1,740,065)	(1,499,442)	(434,790)	(2,376,726)
Lease liabilities (Note 23)	382,490	(424,102)	(57,604)	(54,196)	(56,814)	(255,488)
Due to related parties, trade and other payables (Note 24)	1,373,836	(1,373,836)	(1,373,836)	-	-	-
Other long-term liabilities (Note 24)	108,803	(142,777)	(24,887)	(35,619)	(20,568)	(61,703)
	7,086,974	(7,991,738)	(3,196,392)	(1,589,257)	(512,172)	(2,693,917)

5 Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its 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 uses derivatives in order to manage market risks, however, the Group does not apply hedge accounting.

(a) Currency risk

The Group is exposed to currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the Group entities, primarily Euro and GBP. The Group does not face any foreign currency risk on transactions denominated in USD as AED is pegged to USD.

The Group manages its exposure in foreign currency exchange rates by the use of derivative instruments.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group policy is to ensure that its net exposure is kept to an acceptable level by buying and selling foreign currencies at spot rate when necessary to address short term imbalances.

	2023 Euro'000	**2023 GBP'000**	2022 Euro'000	2022 GBP'000
Investments	**77,750**	**32,000**	65,061	-
Cash at bank	**11**	**-**	50	-
Trade and other payables	**(166)**	**-**	(222)	-
Borrowings	**(75,790)**	**-**	(65,399)	-
Net headroom / (exposure)	**1,805**	**32,000**	(510)	-

The following exchange rates were applied during the year:

	Average rate		**Closing Spot rate**	
	2023 AED	2022 AED	**2023 AED**	2022 AED
GBP	**4.59**	-	**4.68**	-
Euro	**3.95**	3.87	**4.07**	3.94

Sensitivity analysis

A limited fluctuation of AED against Euro and GBP at 31 December would not have any significant impact on profit or loss.

(b) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the net finance cost of the Group.

5 Financial risk management (continued)

Market risk (continued)

(b) Interest rate risk (continued)

Financial assets and liabilities that are subject to fair value risk are the ones with fixed interest rate. Financial assets and liabilities that are subject to cash flow rate risk are the ones with floating interest rate.

The long-term loans attract varying rates of interest, which are, in general, varied with reference to the base lending rates of the banks at regular intervals.

The Group is exposed to interest rate risk on its interest bearing assets and liabilities. The Group manages its exposure arising due to fluctuations in interest rates by the use of derivative instruments when appropriate.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	2023 AED'000	2022 AED'000
Fixed rate instruments		
Financial assets	**597,319**	814,078
Financial liabilities	**(366,440)**	(382,490)
Variable rate instruments		
Financial assets	**82,649**	74,021
Financial liabilities	**(5,331,591)**	(5,221,845)

Fair value sensitivity analysis for fixed rate instruments

The Group accounts for certain fixed rate financial assets at fair value through profit or loss. The Group does not designate derivatives as hedging instruments under a fair value hedge accounting model.

An increase of 100 basis points ("bps") in interest rates at the reporting date not have any significant impact on profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 bps in interest rates at the reporting date would have increased/ (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2022.

	Profit or Loss	
Effect in AED'000	**100 bps Increase**	**100 bps Decrease**
31 December 2023	**(52,489)**	**52,489**
31 December 2022	(51,478)	51,478

5 Financial risk management (continued)

Market risk (continued)

(c) Price risk

Price risk arises from marketable securities measured at fair value. Management of the Group monitors the mix of debt and equity securities in investments portfolio to maximise investment returns, which is the primary goal of the Group's investment strategy. In accordance with this strategy certain investments are designated as fair value through profit or loss because their performance is actively monitored and they are managed on a fair value basis.

Fair value of financial assets and liabilities measured at amortised costs

The fair value of financial assets and liabilities measured at amortised costs approximate its carrying value at 31 December 2023 and 31 December 2022.

Capital management

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 Board of Directors monitors the return on capital, which is defined as profit for the year attributable to equity holders of the Company divided by total shareholders' equity. The Board of Directors also monitors the level of dividend to ordinary shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. The Board has defined the Company's gearing ratio to be maintained below 1:2 level. This ratio is calculated as net debt divided by total equity plus net debt. Net debt is calculated as the total bank borrowings less cash and cash equivalents and investments classified as Level 1 and Level 2. Total equity is calculated as shown in the statement of financial position. The analysis of the net debt of the Group is set out below:

	2023	2022
	AED'000	AED'000
Cash and cash equivalents (Note 20)	**1,166,702**	853,082
Short-term deposits with banks (Note 20)	**69,102**	110,138
Liquid investments*	**1,239,811**	1,220,710
	2,475,615	2,183,930
Current portion of borrowings (Note 22)	**(1,789,747)**	(1,466,893)
Non-current portion of borrowings (Note 21)	**(3,541,844)**	(3,754,952)
Net debt	**(2,855,976)**	(3,037,915)

* Liquid investments comprise investments classified as Level 1 and Level 2 (Note 13 (c)).

Under the terms of the borrowing facilities undertaken by the Group, the Group is required to comply with certain financial covenants by maintaining certain ratios as prescribed within the respective facility agreements (Note 21).

6 Cost of sales and providing services

	2023	2022
	AED'000	AED'000
These mainly include:		
Materials consumed	**734,118**	899,323
Cost of properties sold	**761,600**	406,968
Depreciation and amortisation	**144,509**	168,680
Factory overheads	**129,039**	141,443
Staff costs	**110,732**	118,444
Government of Dubai's share of the realised profits of a subsidiary (Note 12)	**108,516**	109,261
Impairment loss on property, plant and equipment (Note 10)	**41,547**	-
Infrastructure and development works cost sharing with Roads and Transport Authority ("RTA") (Note 32)	**29,077**	29,077
Loss on revaluation of property and equipment being transferred to investment properties (Note 10)	**24,119**	-
Reversal of write down of inventories to net realisable value (Note 17)	**(46,551)**	(10,329)

7 Administrative expenses

	2023	2022
	AED'000	AED'000
These mainly include:		
Staff costs	**212,821**	244,060
Selling and marketing expenses	**51,475**	52,305
Depreciation and amortisation	**21,243**	25,582
Directors' fee	**18,000**	17,500
Impairment loss on goodwill (Note 11)	-	10,070
Impairment loss on property, plant and equipment (Note 10)	-	1,603

Selling and marketing expenses include an amount of AED 1.66 million (2022: AED 1.76 million) incurred towards charity and social contributions.

8 Finance costs and income

	2023	2022
	AED'000	AED'000
Gain fair valuation of derivative financial instruments	-	60,945
Gain on modification of terms of borrowings	-	45,365
Interest income	**34,520**	27,957
Unwinding of discount on financial assets measured at amortised cost	**24,187**	17,486
Finance income	**58,707**	151,753
Interest costs	**(375,682)**	(223,483)
Unwinding of gain on modification of borrowings	**(9,013)**	(1,858)
Interest expenses on lease liabilities (Note 23)	**(27,635)**	(29,335)
Bank charges	**(9,529)**	(8,010)
Foreign exchange (loss)/gain- net	**(6,249)**	12,985
Finance costs	**(428,108)**	(249,701)

9 Other income

	2023 AED'000	2022 AED'000
These mainly include:		
Penalty charges for late payments from customers	**5,764**	6,392
Scrap sales	**2,986**	3,601
Advertisement income	**188**	413
Gain on disposal of property, plant and equipment	**174**	780

10 Property, plant and equipment

Cost	Land AED'000	Buildings AED'000	Plant and equipment AED'000	Office equipment and furniture AED'000	Motor vehicles AED'000	Capital work-in-progress AED'000	Total AED'000
At 1 January 2022	212,424	1,143,149	3,452,410	120,565	22,878	698,004	5,649,430
Additions (refer (i) below)	-	4,235	8,497	3,538	718	63,531	80,519
Transfers	-	199,169	199,565	6,514	-	(405,248)	-
Transfer from inventories (refer (ii) below)	35,823	118,817	-	-	-	-	154,640
Transfer to investment properties (refer (ii) below)	(120)	-	-	-	-	(47,549)	(47,669)
Transfer from investment properties (refer (ii) below)	-	30,300	-	-	-	-	30,300
Disposals and write-offs	-	(35)	(11,618)	(838)	(878)	-	(13,369)
Disposal of controlling interest in a subsidiary (Note 38)	(12,164)	(182,623)	(2,428,136)	(18,980)	(2,528)	(18,582)	(2,663,013)
At 31 December 2022	235,963	1,313,012	1,220,718	110,799	20,190	290,156	3,190,838
Additions (refer (i) below)	**-**	**26,786**	**19,057**	**8,271**	**1,159**	**20,299**	**75,572**
Transfers	**32,501**	**213,037**	**7,580**	**1,263**	**-**	**(254,381)**	**-**
Revaluation gain on assets transferred from property plant and equipment to investment properties (refer (iii) below)	**-**	**13,186**	**-**	**-**	**-**	**-**	**13,186**
Revaluation loss on assets transferred from property plant and equipment to investment properties (Note 6 and (iii) below))	**(24,119)**	**-**	**-**	**-**	**-**	**-**	**(24,119)**
Transfer to investment properties (refer (iii) below)	**(153,147)**	**(25,935)**	**-**	**-**	**-**	**-**	**(179,082)**
Transfer from investment properties (refer (iv) below)	**-**	**3,118**	**3,004**	**-**	**-**	**-**	**6,122**
Disposals and write-offs	**-**	**-**	**(1,624)**	**(18)**	**(167)**	**-**	**(1,809)**
At 31 December 2023	**91,198**	**1,543,204**	**1,248,735**	**120,315**	**21,182**	**56,074**	**3,080,708**
Accumulated depreciation and impairment losses							
At 1 January 2022	-	511,849	1,303,891	110,710	21,968	10,708	1,959,126
Charge for the year	-	41,872	85,587	6,082	731	-	134,272
Impairment loss (Note 7)	-	-	1,603	-	-	-	1,603
Disposals and write-offs	-	(24)	(5,386)	(231)	(878)	-	(6,519)
Disposal of controlling interest in a subsidiary (Note 38)	-	(44,116)	(530,466)	(14,995)	(1,706)	-	(591,283)
At 31 December 2022	-	509,581	855,229	101,566	20,115	10,708	1,497,199
Charge for the year	-	**52,410**	**53,529**	**8,297**	**414**	-	**114,650**
Impairment loss (Note 6) (refer (v) below)	**41,547**	**-**	**-**	**-**	**-**	**-**	**41,547**
Transfers	**4,600**	**(4,600)**	**-**	**-**	**-**	**-**	**-**
Transfer to investment properties (refer (ii) below)	**(46,147)**	**(12,622)**	**-**	**-**	**-**	**-**	**(58,769)**
Disposals and write-offs	**-**	**-**	**(745)**	**(6)**	**(167)**	**-**	**(918)**
At 31 December 2023	**-**	**544,769**	**908,013**	**109,857**	**20,362**	**10,708**	**1,593,709**
Net book value							
At 31 December 2022	235,963	803,431	365,489	9,233	75	279,448	1,693,639
At 31 December 2023	**91,198**	**998,435**	**340,722**	**10,458**	**820**	**45,366**	**1,486,999**

10 Property, plant and equipment (continued)

(i) Additions to capital work-in-progress represents costs incurred by the subsidiaries for the construction of hotels and expansion of their manufacturing facilities.

(ii) Included in capital work-in-progress at 31 December 2023 is an amount of AED 53.4 million (2022: AED 53.4 million) for which a subsidiary has decided to temporarily put the expansion of a manufacturing facility on hold. Based on a review of the carrying values, an impairment loss of AED 10.7 million was recorded for this capital work-in-progress in previous years.

(iii) Based on change in use, the Group reclassified an amount of AED 120.31 million from property, plant and equipment to investment properties during the year ended 31 December 2023. Consequently, the Group recorded a revaluation loss of AED 24.12 million during the year ended 31 December 2023 (year ended 31 December 2022: Nil) in consolidated statement of profit or loss and revaluation gain of AED 13.19 million during year ended 31 December 2023 (year ended 31 December 2022: Nil) in consolidated statement of comprehensive income.

(iv) Based on change in use, the Group reclassified an amount of AED 6.12 million from investment properties to property, plant and equipment during the year ended 31 December 2023.

(v) During the year ended 31 December 2023, the Group recognised an impairment loss of AED 41.55 million (year ended 31 December 2022: AED 1.60 million) for one of its property.

(vi) Buildings and plant and machinery with a net book value of AED 1,069 million (2022: AED 1,234 million) are mortgaged as security against term loans obtained from banks. In certain instances, the insurance over buildings and plant and machinery is also assigned in favor of the banks against facilities availed.

11 Goodwill and intangible assets

	Goodwill AED'000	Product registration certificates, licenses, patent and trademark AED'000	Customer contracts AED'000	Concession rights AED'000	Other intangible assets AED'000	Total AED'000
Cost						
As at 1 January 2022	124,085	230,826	233,272	201,114	22,792	812,089
Additions during the year	-	-	-	107	931	1,038
Disposal of controlling interest in a subsidiary (Note 38)	-	-	(233,272)	(201,221)	-	(434,493)
As at 31 December 2022	124,085	230,826	-	-	23,723	378,634
Additions during the year	**-**	**12**	**-**	**-**	**3,893**	**3,905**
As at 31 December 2023	**124,085**	**230,838**	**-**	**-**	**27,616**	**382,539**
Accumulated amortisation and impairment losses						
As at 1 January 2022	29,659	55,403	23,924	9,158	17,743	135,887
Amortisation	-	11,978	2,991	4,187	1,671	20,827
Impairment loss (Note 7)	10,070	-	-	-	-	10,070
Disposal of controlling interest in a subsidiary (Note 38)	-	-	(26,915)	(13,345)	-	(40,260)
As at 31 December 2022	39,729	67,381	-	-	19,414	126,524
Amortisation	**-**	**12,072**	**-**	**-**	**1,496**	**13,568**
As at 31 December 2023	**39,729**	**79,453**	**-**	**-**	**20,910**	**140,092**
Carrying amount						
31 December 2022	84,356	163,445	-	-	4,309	252,110
31 December 2023	**84,356**	**151,385**	**-**	**-**	**6,706**	**242,447**

11 Goodwill and intangible assets (continued)

Goodwill

The Group tests goodwill for impairment using value-in-use calculations on an annual basis. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with the industry forecasts in which each Cash Generated Units ("CGU") operates. Based on this assessment, no impairment loss has been recognized during the current year (2022: impairment loss of AED 10.07 million).

The goodwill mainly relates to manufacturing and service operations of the Group.

Product registration certificates, licenses, patent and trademark

Product registration certificates represent the value of the certificates granted by the regulatory authorities to manufacture and market certain medical and pharmaceutical products. The products registration certificates are being amortised over the remaining useful life of 15 years.

12 Investment properties

	2023	2022
	AED'000	AED'000
At 1 January	**9,692,168**	8,977,629
Additions	**351,629**	161,967
Transferred from property, plant and equipment (Note 10)	**120,313**	47,669
Transferred to property, plant and equipment (Note 10)	**(6,122)**	(30,300)
Transferred to inventories (Note 17)	**(567,413)**	-
Transferred from inventories (Note 17)	**44,374**	353,454
Sale of investment property	**(95,901)**	-
Net gain on fair valuation	**702,633**	181,749
Investment property classified as held for sale	**(142,000)**	-
At 31 December	**10,099,681**	9,692,168

- During the year ended 31 December 2023, additions to investment properties amounted to AED 351.63 million (year ended 31 December 2022: AED 161.96 million) which mainly included acquisition of a school campuses (included in retail and commercial facilities) in Sharjah.
- The Group sold investment properties amounting to AED 95.9 million for a consideration of AED 97 million during the current period (year ended 31 December 2022: Nil) and recorded gain of AED 1.10 million on sale of investment properties (year ended 31 December 2022: Nil).
- As at 31 December 2023, given there had been a change of use supported by observable actions, the Group reclassified an amount of;
    - AED 567.41 million from investment properties to inventories (Note 17);
    - AED 44.37 million from inventories to investment properties (Note 17);
    - AED 120.31 million from property, plant and equipment to investment properties (Note 10); and
    - AED 6.12 million from investment properties to property, plant and equipment (Note 10)

12 Investment properties (continued)

Investment properties comprises the following:

	2023 AED'000	2022 AED'000
Infrastructure and ancillary facilities	**5,787,253**	5,516,659
Plots of land for future development and under development	**1,600,908**	1,585,843
Retail and commercial facilities	**1,127,251**	1,059,005
Residential units	**1,089,189**	968,354
Labor camps and warehouses	**495,080**	562,307
	10,099,681	9,692,168

(a) Infrastructure and ancillary facilities:

These are built on the land (Plot number 598-0100 and 597-0100 located in Jebel Ali Industrial Area) obtained from the Government of Dubai on a renewable, non-cancellable long-term lease of 99 years. The Group was exempted to pay the lease rentals for the first ten years and thereafter, starting 1 February 2009, 20% of the net realised profits from real estate activities are payable to the Government of Dubai.

As at 31 December 2023, the Group has obtained fair values of all phases, and the valuations were carried out using the income valuation approach, after taking into consideration the cash outflows resulting from the estimated 20% share of the net realised profits due to the Government of Dubai. The fair valuation gain of AED 187.2 million (2022: fair valuation gain of AED 34.9 million) has arisen due to changes in the contractual and expected net cash flows based on the terms of the lease contracts with tenants.

Since the valuation of all completed phases by the independent registered valuer is based on future net cash flows, an adjustment has been made for rent accrued on the straight-line basis as per IFRS 16. Similarly, the unearned rent billed in advance and recognised liabilities for 20% share of the Government of Dubai at the valuation date have been included in the valuation of investment properties.

12 **Investment properties** (continued)

The reconciliation of valuation of investment properties carried out by the independent registered valuer and the adjusted valuation included in the consolidated financial statements is as follows:

	2023 **AED'000**	2022 AED'000
Fair valuation of completed phases and ancillary facilities as per independent registered valuation reports	**5,516,791**	5,246,935
Less: adjustment for rent receivable for completed phases (Note 16)	**(46,529)**	(38,548)
Add: adjustment for unearned rent for completed phases (Note 24)*	**208,475**	199,011
Add: adjustment for recognised liabilities (included in cost of sales and providing services (Note 6))	**108,516**	109,261
	5,787,253	5,516,659

* Unearned rent represents lease rentals billed in advance.

Significant unobservable inputs in the fair value measurement comprises of future contractual rental cash inflows, discount rate and outgoing expenses.

(b) Plots of land for future development and under development:

These comprise of*:*

(i) a plot of land received by a subsidiary as a grant from the Government of Fujairah; and

(ii) other plots of land for residential and commercial development

During the year ended 31 December 2023, the Group entered into a sale purchase agreement ("SPA") for the sale of a plot of land. As per the terms of the SPA, the sale will be recorded upon transfer of control of the property on handover, which is expected within one year from the reporting date. Accordingly, the Group classified the plot of land from investment properties to an asset held for sale on which the Group recorded gain of AED 57.80 million (year ended 31 December 2022: Nil).

As at 31 December 2023, the fair valuation of the plots of land has been carried out using the sales comparison and income capitalisation approach as appropriate, resulting in a net fair valuation gain of AED 547.2 million (2022: net fair valuation gain of AED 85 million).

Significant unobservable inputs in the fair value measurement comprises of market sales rates.

Plots of land for future development and under development amounting to AED 123.3 million (2022: AED 118.7 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

12 Investment properties (continued)

(c) Residential units.

The residential units have been valued using the sales comparison, income capitalisation approach or income valuation approach, as appropriate, resulting in a net fair valuation gain of AED 18.3 million (2022: fair valuation gain of AED 40.9 million).

Significant unobservable inputs in the fair value measurement comprises of market sales rates.

Residential properties amounting to AED 305.5 million (2022: AED 313.2 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

(d) Retail and commercial facilities:

These comprise of*:*

(i) A mixed-use building which has been leased on operating leases;
(ii) A mixed-use building constructed on a plot of land granted by the Government of Fujairah;
(iii) School campuses; and
(iv) Other retail and commercial facilities on operating leases.

The retail and commercial facilities have been valued using the income capitalisation approach or income valuation approach, as appropriate, resulting in a net fair valuation gain of AED 17.1 million (2022: fair valuation loss of AED 31.7 million).

Significant unobservable inputs in the fair value measurement mainly include future market rental cash inflows and capitalisation yield rates.

The retail and commercial facilities amounting to AED 452 million (2022: AED 435.25 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

12 Investment properties (continued)

(e) Labor camps and warehouses:

The fair valuation of labor camps and warehouses at the reporting date has been determined by using the sales comparison and income capitalisation approach resulting in a net fair valuation loss of AED 67.2 million (2022: fair valuation loss of AED 10.8 million).

Significant unobservable inputs in the fair value measurement mainly includes: future market rental cash inflows and capitalisation yield rates.

The labor camps and warehouses amounting to AED 359.50 million (2022: AED 424.95 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

Valuation processes

The Group's investment properties were valued at 31 December 2023 by independent registered valuers in accordance with the RICS Valuation – Global Standards issued by the Royal Institute of Chartered Surveyors taking into account requirements of IFRS 13 'Fair value measurements'. For all investment properties, their current use equates to the highest and best use. Management review the valuations performed by the independent registered valuers for financial reporting purposes which among other things include:

- provision and verification of all major inputs to the independent valuation reports;
- assessment of property valuation movements when compared to the prior year valuation reports; and
- discussions with the independent registered valuers.

Valuation techniques underlying management's estimation of fair value

The valuations were determined by independent registered valuers based on below significant unobservable inputs. In determining a property's valuation, the valuers take into account property specific information such as the current contracted tenancy agreements and forecast operating expenses. They apply certain assumptions such as capitalisation yield rates, void rates, discount rates and estimated market rent, which are influenced by specific characteristics, such as property location, income return and occupancy of each property in the portfolio, to arrive at the final valuation.

The valuation basis and assumptions used for valuation of investments properties remains largely consistent with the methodology adopted as at 31 December 2022.

12 Investment properties (continued)

Valuation techniques underlying management's estimation of fair value (continued)

Significant unobservable inputs:

(a) Infrastructure and ancillary facilities:

Future contractual rental cash inflows	based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 533 higher/ lower respectively (2022: AED 430 million higher/lower respectively), with all other variables remaining constant.
Discount rate	reflecting current market assessments of the uncertainty in the amount and timing of cash flows. If discount rate was 1% higher/lower, the valuation would have been AED 553 million lower/AED 726 million higher respectively (2022: AED 587 million lower/AED 725 million higher respectively), with all other variables remaining constant.
Outgoing expenses	including necessary maintenance and other expenses to maintain functionality of the properties for their expected useful life. If maintenance and operating costs were 10% higher/lower, the valuation would have been AED 132 lower/higher (2022: AED 124 million lower/higher respectively), with all other variables remaining constant.

(b) Plots of land for future development and under development

Market sales rates	based on the estimated selling price of comparable properties and taking into account the market data at the date of valuation. If the market sales rate were 10% higher/lower the valuation would have been AED 149 million higher/lower respectively (2022: AED 152 million higher/lower respectively), with all other variables remaining constant.

(c) Residential units

Market sales rates	based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 67 million higher/lower respectively (2022: AED 80 million higher/lower respectively), with all other variables remaining constant.

12 Investment properties (continued)

Valuation techniques underlying management's estimation of fair value (continued)

Significant unobservable inputs: (continued)

(d) Retail and commercial facilities

Future market rental cash inflows	based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 33 million higher/lower respectively (2022: AED 47 million higher respectively), with all other variables remaining constant.
Capitalisation yield rates	based on the actual location, size and quality of the properties and taking into account market data at the valuation date. If capitalisation yield rates were 1% higher/lower, the valuation would have been AED 88 million lower/AED 101 million higher respectively (2022: AED 63 million lower/AED 78 million higher respectively), with all other variables remaining constant.

(e) Labor camps and warehouses

Future market rental cash inflows	based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 52 million higher or AED 51 million lower respectively (2022: AED 49 million higher or AED 52 million lower respectively), with all other variables remaining constant.
Capitalisation yield rates	based on the actual location, size and quality of the properties and taking into account market data at the valuation date. If capitalisation yield rates were 1% higher/lower, the valuation would have been AED 29 million lower /AED 33 million higher respectively (2022: AED 31 million lower/AED 32 million higher respectively), with all other variables remaining constant.

12 Investment properties (continued)

Fair value hierarchy

The fair value of investment properties is classified under level 3 fair value hierarchy.

The following table shows reconciliation from the opening balances to the closing balances for Level 3 fair values.

	2023 **AED'000**	2022 AED'000
At 1 January	**9,692,168**	8,977,629
Additions	**351,629**	161,967
Transferred from property, plant and equipment (Note 10)	**120,313**	47,669
Transferred to property, plant and equipment (Note 10)	**(6,122)**	(30,300)
Transferred to inventories (Note 17)	**(567,413)**	-
Transferred from inventories (Note 17)	**44,374**	353,454
Sale of investment property	**(95,901)**	-
Net gain on fair valuation	**702,633**	181,749
Investment property classified as held for sale	**(142,000)**	-
At 31 December	**10,099,681**	9,692,168

13 Financial investments

	2023 **AED'000**	2022 AED'000
(i) Investments at fair value through other comprehensive income - Note 13 (a)		
Equity securities	**84,839**	59,542
(ii) Investments at fair value through profit or loss - Note 13 (b)		
Held for trading quoted equity securities and funds	**249,635**	378,978
Funds, bonds, sukuks and unquoted equity securities	**1,774,273**	1,378,864
	2,023,908	1,757,842
Geographical distribution of investments:		
UAE	**602,330**	600,233
Other GCC countries	**280,082**	262,337
Other countries	**1,226,335**	954,814
(i)+(ii)	**2,108,747**	1,817,384

Investments in funds, bonds, sukuks and unquoted equity securities with a fair value of AED 302 million (2022: AED 338 million) are pledged in favor of banks against borrowings availed (Note 22).

Sensitivity analysis – equity price risk

The Group's investments in quoted equity securities are listed on various MENA stock exchanges. For such investments classified as fair value through profit or loss, a 10 % increase/(decrease) in the equity prices at the reporting date would have increased/(decreased) profit by AED 40.93 million (2022: AED 45.93 million).

13 Financial investments (continued)

(a) Investments at fair value through other comprehensive income

These mainly include 5% shareholding in SAYACORP B.S.C.(c), which is based in the Kingdom of Bahrain focused on investment, financing and service needs of the energy sector.

(b) Investments at fair value through profit or loss

The major investments are in bonds, funds, quoted equity securities, sukuks and managed funds.

The Group has invested AED 289.3 million (2022: AED 298.9 million) in diversified fixed income bonds portfolio and AED 567.6 million (2022: AED 511.4 million) in managed equity funds by utilising a related leverage facility of AED 308 million (2022: AED 295 million). Most of these bonds have counterparty credit rating of investment grade and having maturity of medium to long term.

(c) Measurement of fair values

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market. The fair values are based on market price at the valuation date. The Group's investment in held for trading quoted equity securities are classified in this category.

Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted market prices for identical or similar instruments in markets that are considered less active; broker quotes; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. The Group's investment in structured funds, sukuks and bonds are classified in this category.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation techniques include inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

In certain cases, the valuation is also determined based on fund manager valuation reports and project progress reports. The Group's investment in unquoted equity securities and managed funds are classified in this category. Generally, a change in underlying comparative data used for estimating fair value is accompanied by a change in the fair value.

The Group has reviewed the fair value of investments classified as fair value through profit or loss and accordingly, a gain of AED 107.01 million has been recorded in the consolidated statement of profit or loss during the current year (2022: loss of AED 22.93 million).

The Group has reviewed the fair value of investments in unquoted equity securities classified as fair value through other comprehensive income and accordingly, net change in fair value of AED 25.31 million has been recorded during the current year in other comprehensive income (2022: gain of AED 6.10 million).

13 **Financial investments** (continued)

(c) Measurement of fair values (continued)

The table below analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

31 December 2023	**Level 1 AED'000**	**Level 2 AED'000**	**Level 3 AED'000**	**Total AED'000**
Financial assets at fair value through profit or loss	**177,627**	**1,061,799**	**784,482**	**2,023,908**
Financial assets at fair value through other comprehensive income	**385**	**-**	**84,454**	**84,839**
	178,012	**1,061,799**	**868,936**	**2,108,747**

31 December 2022	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Financial assets at fair value through profit or loss	251,179	969,133	537,530	1,757,842
Financial assets at fair value through other comprehensive income	398	-	59,144	59,542
	251,577	969,133	596,674	1,817,384

Reconciliation of Level 3 fair values measurements of investments

	2023 AED'000	2022 AED'000
As at 1 January	**596,674**	524,408
Additions during the year	**242,286**	134,483
Redeemed/sold during the year	**(60,821)**	(64,209)
Transfers in level 3	**14,831**	-
Gain recorded in OCI		
- Net change in fair value (unrealised)	**25,310**	6,263
Gain/(loss) recorded in profit or loss		
- Net change in fair value (unrealised)	**50,655**	(4,271)
As at 31 December	**868,935**	596,674

Sensitivity analysis

For investments classified as Level 3, a 10% increase/(decrease) in the NAV value at the reporting date would have increased/(decreased) profit by AED 86.89 million (2022: AED 59.67 million).

14 Other financial assets at fair value through profit or loss

	2023 **AED'000**	2022 AED'000
Other financial assets at fair value through profit or loss	**38,706**	43,928

Other financial assets at fair value through profit of loss represents a receivable from Dubai Electricity and Water Authority for a substation cost incurred by one of the subsidiaries. The fair valuation of this receivable has been determined using a present value of expected cash flows. As there are significant unobservable inputs used in determining fair value of this receivable, it has been categorised as a level 3 financial instrument.

15 Investment in equity accounted investees'

	2023 **AED'000**	2022 AED'000
Investment in joint ventures (refer (i) below)	**1,094,091**	1,174,110
Investment in associates (refer (ii) below)	**412,196**	354,354
Total investment in equity accounted investees	**1,506,287**	1,528,464

(i) Joint ventures

The following are the investments in joint ventures held by the Group as at 31 December 2023:

a) Emicool District Cooling LLC ("Emicool")

On 25 July 2022, the Group sold its 50% equity interest in the wholly owned subsidiary Emicool District Cooling LLC ("Emicool"). Subsequently, the retained investment of 50% in Emicool has been remeasured at fair value and accounted for as a joint venture under 'investment in an equity accounted investee' (Note 38). Emicool District Cooling LLC is a limited liability company incorporated in the UAE. The principal activities are to generate, distribute and sell chilled water along with associated metering and billing services in district cooling systems for air conditioning purposes.

b) QDI Sport Management Company LLC ("QDI")

QDI, a limited liability company incorporated in the UAE, is a joint venture between the Group and Al Qudra Sports Management LLC. The principal activities of the joint venture are to engage in sports clubs and facilities management and other sports related activities within the UAE. The Group effectively owns 50% equity in this entity.

c) Palisades Development Company LLC

This is a limited liability company registered in the UAE. The principal activities of the entity is management and administration of a project undertaken on plots of land located in Dubai Investments Park. The Group effectively owns 50 % equity in this entity.

The carrying amount of the interest in Palisades Development Company LLC is Nil.

15 Investment in equity accounted investees' (continued)

(i) Joint ventures

The following table summarises the financial information of joint ventures as at 31 December:

		2023		2022
	AED'000	AED'000	AED'000	AED'000
	Emicool	Others	Total	Total
Non-current assets	**2,251,719**	**112**	**2,251,831**	2,170,260
Current assets	**391,304**	**9,475**	**400,779**	457,047
Non-current liabilities	**(1,528,010)**	**(4,194)**	**(1,532,204)**	(1,386,856)
Current liabilities	**(336,291)**	**(2,432)**	**(338,723)**	(298,729)
Net assets (100%)	**778,722**	**2,961**	**781,683**	941,722
Group's share of net assets	**389,361**	**1,481**	**390,842**	470,861
Goodwill and intangible assets	**201,693**	**11,349**	**213,042**	213,042
Fair value adjustment of retained interest upon initial recognition (Note 38)	**490,207**	**-**	**490,207**	490,207
Carrying amount of interest in joint ventures	**1,081,261**	**12,830**	**1,094,091**	1,174,110
Income	**593,507**	**25,956**	**619,463**	349,789
Expenses	**(515,301)**	**(27,198)**	**(542,499)**	(270,393)
Profit for the year (100%)	**78,206**	**(1,242)**	**76,964**	79,396
Group's share of profit	**39,103**	**(621)**	**38,482**	39,698
Group's share of total comprehensive income	**39,103**	**(621)**	**38,482**	39,698
Dividends received by the Group	**115,000**	**3,500**	**118,500**	100,000

(ii) Associates

The Group's associates comprise includes the following entities

	2023	2022
	Ownership %	Ownership %
Associate		
National General Insurance PJSC ("NGI") (refer (b) below)	**48.34**	48.34
Emirates Insolaire LLC	**49**	49
Emirates Aluminium Rolling ("Emiroll") LLC	**30**	30
KCH Healthcare LLC	**26.75**	26.75
Clemenceau Medical Center FZ ("CMC Dubai")	**20**	20
Africa Crest Education Holdings Limited	**53.97**	41
ACE Kenya Limited	**36.21**	-
Mojavi 4 Limited (refer (a) below)	**40**	40
Mojavi 9 Limited (refer (a) below)	**55**	55
Mojavi 10 Limited (refer (a) below)	**36**	36
Mojavi 16 Limited (refer (a) below)	**86.80**	86.80
Mojavi 20 Limited (refer (a) below)	**20**	20
Global Fertility Partners (a Cayman Islands exempted company with limited liability)	**59.70**	-

a) Percentage ownership reflects the direct ownership through subsidiaries and is not the effective ownership of the Group. The classification of these entities as associates of the Group was done on the basis of the effective ownership and the absolute voting powers held by the Group.

15 Investment in equity accounted investees' (continued)

(ii) Associates (continued)

b) The summarised financial information for NGI is set out as follows. The tables below also reconciles the summarised financial information to the carrying amount of the Group's interest in associates as at 31 December 2023.

	2023 **AED'000**	2022 AED'000
Total assets	**1,359,116**	1,519,917
Total liabilities	**(785,655)**	(990,900)
Net assets (100%)	**573,461**	529,017
Group's share of net assets	**277,211**	255,736
Fair value of identified intangibles	**11,479**	11,479
Carrying amount of interest in associates	**288,690**	267,215
Income	**1,013,928**	902,064
Expenses	**(929,797)**	(848,442)
Profit for the year (100%)	**84,131**	53,622
Group's share of profit	**40,668**	25,921
Group's share of other comprehensive loss	**(1,072)**	(4,650)
Group's share of total comprehensive income	**39,596**	21,271
Dividend received by the Group	**18,122**	22,237

c) The following table summarises the financial information of other associates

	2023 **AED'000**	2022 AED'000
Total assets	**1,491,702**	1,382,818
Total liabilities	**(1,770,394)**	(1,202,848)
Net assets (100%)	**(278,692)**	179,970
Group's share of net assets	**123,506**	87,139
Carrying amount of interest in associates	**123,506**	87,139
Income	**25,032**	13,830
Expenses	**(46,441)**	(30,503)
Loss for the year (100%)	**(21,409)**	(16,673)
Group's share of loss	**(6,595)**	(6,249)
Group's share of total comprehensive income	**(6,595)**	(6,249)

15 Investment in equity accounted investees' (continued)

(iii) The movement in investment in equity accounted investees' is as follows:

	2023 AED'000	2022 AED'000
At 1 January	**1,528,464**	326,112
Fair value of retained interest on disposal of subsidiary (Note 38)	**-**	1,217,589
Investments made during the year	**42,962**	42,551
Dividend received during the year	**(136,622)**	(122,237)
Group's share of profit for the year	**72,555**	59,370
Group's share of loss in other comprehensive loss	**(1,072)**	(4,650)
Bargain purchase gain on acquisition	**-**	11,479
Return of capital contribution	**-**	(1,750)
At 31 December	**1,506,287**	1,528,464

16 Rent receivable

Rent receivable represents the differential between the amount billed to tenants and the amount recognised as rental income on a straight-line basis over the term of the lease. The difference principally arises due to an initial rent-free period allowed and the rent increase agreed after the expiry of the initial term of the lease.

17 Inventories

	2023 AED'000	2022 AED'000
Raw materials, work-in-progress and spares (net of provision for old and slow moving inventories)	**181,983**	181,818
Finished goods	**59,485**	65,421
Goods in transit	**577**	744
Properties held for development and sale (net of provision for write down to net realisable value)	**1,129,943**	1,215,325
	1,371,988	1,463,308
Less: properties held for development and sale (net of provision for write down to net realisable value) classified as non-current	**(21,356)**	(253,680)
	1,350,632	1,209,628
Inventories carried at net realisable value	**93,541**	322,993

Based on a change in use, the Group reclassified an amount of AED 567.41 million from investment properties to inventories and AED 44.37 million from inventories to investment properties during the year ended 31 December 2023. (Note 12)

Properties held for development and sale represent cost of land and expenditure incurred towards a residential project in Mirdif, mixed used development in Marjan Island and land ear-marked for development projects for subsequent sale. The Group intends to develop these properties for sale and has classified certain properties as long term based on future development plans.

17 **Inventories** (continued)

Net realisable values for properties held for development and sale have either been estimated by independent registered valuers in accordance with the RICS Valuation – Global Standards issued by the Royal Institute of Chartered Surveyors or internally using a combination of valuation techniques including the sales comparison approach and income capitalisation approach. Based on this, a reversal of provision for write down to net realisable value of AED 46.55 million has been recognised during the current year (2022: provision for write down to net realisable value of AED 10.3 million).

As at 31 December 2023, the Group is carrying a provision on properties held for development and sale amounting to AED 3.85 million (2022: AED 50.4 million).

Inventories amounting to AED 370 million (2022: AED 1,210 million) are mortgaged against facilities obtained from banks. In certain instances, the insurance over inventories is also assigned in favor of banks.

18 Trade receivables

Gross trade receivables amount to AED 2,885.53 million (2022: AED 2,411.11 million) while provision for impairment loss amounts to AED 519.19 million (2022: AED 379.17 million). Trade receivables that are expected to be realised after twelve months from the reporting date have been classified as non-current.

Trade receivables amounting to AED 599.18 million are assigned against the facilities availed from the banks as at 31 December 2023 (2022: AED 636.44 million).

19 Due from related parties and other receivables

	2023 AED'000	2022 AED'000
Non – current		
Capital advance	**5,650**	5,265
Other receivables	**-**	8,123
	5,650	13,388
Current		
Receivable from customers for use of margin facilities	**82,649**	77,648
Due from related parties	**75,736**	72,107
Advances paid to suppliers	**36,350**	65,120
Due from customers for contract work (refer (ii) below)	**32,668**	59,014
Prepayments	**65,364**	51,448
Margin and refundable deposit	**22,862**	25,929
Retention receivables	**24,301**	18,363
Others	**123,610**	211,747
	463,540	581,376

(i) Other receivables that are expected to be realised after twelve months from the reporting date have been classified as non-current.

19 Due from related parties and other receivables (continued)

(ii) Movement in due from customers for contract work is as follows:

	2023	2022
	AED'000	AED'000
Balance at the beginning of the year	**59,014**	66,152
Additions during the year	**186,647**	242,660
Progress billings	**(212,993)**	(249,798)
Balance at the ending of the year	**32,668**	59,014

20 Short-term deposits with banks and cash and cash equivalents

	2023	2022
	AED'000	AED'000
Short term deposits		
Short term deposits with banks having maturity of more than 3 months	**20,000**	-
Short term deposits within UAE under lien with banks	**49,102**	110,138
	69,102	110,138
Cash and cash equivalents		
Cash in hand	**1,848**	1,517
Cash at bank within UAE (current accounts)	**973,750**	362,460
Cash at bank outside UAE – GCC Countries (current accounts)	**36**	7,349
Cash at bank outside UAE – Other countries (current accounts)	**73,482**	66,422
Short term deposits within UAE having original maturity of less than 3 months	**117,586**	415,334
Total cash and cash equivalents	**1,166,702**	853,082

21 Long-term bank borrowings

	2023	2022
	AED'000	AED'000
Borrowings	**4,369,778**	4,404,065
Less: current portion (Note 22)	**(827,934)**	(649,113)
Long-term borrowings	**3,541,844**	3,754,952

(i) The terms of the bank borrowings vary from one to ten years. These are secured by a combination of the Company's corporate guarantee, mortgages over certain investment properties, inventories, trade receivables, property, plant and equipment, assignment of receivables and insurance policies over assets of the Group and lien on bank deposits. The interest rate of majority of the bank borrowings range between 0.45% to 3.5% over EIBOR /SOFR p.a. Where there is a corporate guarantee, the Company's liability is generally restricted to its percentage of equity interest in the borrowing entity.

(ii) A subsidiary of the Company namely Dubai Investments Real Estate LLC ("DIRC") had signed a long-term loan facility of AED 1,028 million with the banks to finance the construction of a real estate development project. The facility had a term of 10 years with the available utilisation period of up to 4 years.

During the year ended 31 December 2022, DIRC renegotiated the terms of the facility. Accordingly, the bank offered revised terms for the remaining facility amount of AED 900 million whereby the repayment terms were extended and interest rates were changed. This renegotiation resulted in modification of estimated contractual cashflows, consequently, a gain of AED 35.29 million was recognised during the year ended 31 December 2022.

The facility consists of the following covenants which needs to be complied with by DIRC at the reporting date.

- Debt service coverage ratio of 1.25x to net annual income
- Loan to value of the project not to exceed 60%

The Group has complied with all covenants mentioned above.

22 Bank borrowings

	2023	2022
	AED'000	AED'000
Bank overdraft, trust receipt loans and bills discounted	**179,920**	230,949
Short term loans	**781,893**	586,831
Current portion of long-term bank borrowings (Note 21)	**827,934**	649,113
	1,789,747	1,466,893

The bank borrowings are secured by a combination of mortgages and corporate guarantees. Where there is a corporate guarantee, the Group's liability is mostly restricted to its percentage of equity interest in the borrowing entity.

Short term loans amounting to AED 302 million (2022: AED 295 million) have been obtained for investments in bonds, funds and structured products and are secured against the pledge of those investments in favor of banks (Note 13).

The Group had access to undrawn banking facilities of AED 1,927.25 million as at 31 December 2023 (2022: AED 1,671.19 million).

23 Leases

The consolidated statement of financial position shows the following amounts relating to leases where the Group is a lessee:

(i) Right-of-use assets:

	Land AED'000	**Building AED'000**	**Plant and equipment AED'000**	**Total AED'000**
Cost				
As at 1 January 2022	88,149	62,032	372,921	523,102
Additions during the year	402	354	2,295	3,051
Disposals	(15,832)	(932)	-	(16,764)
Disposal of controlling interest in a subsidiary (Note 38)	(5,649)	-	(2,270)	(7,919)
As at 31 December 2022	67,070	61,454	372,946	501,470
Additions during the year	9,234	5,266	-	14,500
Disposals	-	(9,377)	-	(9,377)
As at 31 December 2023	**76,304**	**57,343**	**372,946**	**506,593**
Accumulated amortisation and impairment losses				
As at 1 January 2022	17,102	25,966	84,427	127,495
Amortisation	6,410	5,768	26,985	39,163
Disposals	(8,538)	(120)	-	(8,658)
Disposal of controlling interest in a subsidiary (Note 38)	(3,927)	-	(377)	(4,304)
As at 31 December 2022	11,047	31,614	111,035	153,696
Amortisation	5,727	4,989	26,818	37,534
Disposals	-	(7,716)	-	(7,716)
As at 31 December 2023	**16,774**	**28,887**	**137,853**	**183,514**
Carrying amount				
31 December 2022	56,023	29,840	261,911	347,774
31 December 2023	**59,530**	**28,456**	**235,093**	**323,079**

(ii) Lease liabilities:

	2023 AED	2022 AED
Current	**36,533**	39,730
Non-current	**329,907**	342,760
	366,440	382,490
Depreciation charge of right-of-use assets	**37,534**	39,163
Interest expense on lease liability (Note 8)	**27,635**	29,335

The total cash outflow for leases in 2023 was AED 28.89 million (2022: AED 30.73 million).

24 Due to related parties, trade and other payables

	2023 **AED'000**	2022 AED'000
Non-current		
Other payables	**72,937**	108,803
Current		
Trade payables	**511,943**	458,994
Unearned rent (Note 12)	**208,475**	199,011
Advances received from customers	**152,365**	57,856
Payable to Government of Dubai for their share of realised profit of a subsidiary	**108,516**	146,550
Provision for employees' end of service benefits	**86,902**	86,440
Retention payable	**32,491**	31,905
Due to related parties	**25,491**	19,208
Other payables and accrued expenses	**855,236**	717,179
	1,981,419	1,717,143

25 Share capital and share premium

	2023 **AED'000**	2022 AED'000
Authorised		
8,000,000,000 shares of AED 1/- each (2022: 8,000,000,000 shares of AED 1/- each)	**8,000,000**	8,000,000
Issued and paid up		
4,252,019,585 shares of AED 1/- each (2022: 4,252,019,585 shares of AED 1/- each)	**4,252,020**	4,252,020

In the year 1998, 5,474 unallocated shares were sold at the prevailing market price to a shareholder, at a premium of AED 46,000.

26 Capital reserve

Capital reserve comprises the net gain on sale of the Company's own shares (treasury shares) by a subsidiary of the Company in earlier years.

27 Legal and general reserve

In accordance with the Articles of Association of the Company and entities within the Group and the UAE Federal Law No. 32 of 2021:

- 10% of the net profit for the year of the Company is to be transferred to the legal reserve.
- 5% of the net profit for the year of the individual entities within the Group, to which the law is applicable, or rate specified in Articles of Association of the entities whichever is higher, is to be transferred to the legal reserve.

Such transfer may be discontinued when the legal reserve equals 50% of the paid up share capital of the respective individual entities. This reserve is non-distributable except in certain circumstances as mentioned in the above- mentioned law.

Further, in accordance with the Articles of Association of the Company and entities within the Group, further allocation to general reserve has been discontinued with effect from 2023.
Accordingly, the Company and entities within the Group, where applicable, have transferred amounts to legal reserve.

28 Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of investments classified as fair value through other comprehensive income (Note 13) and gain on revaluation of property, plant and equipment (Note 10).

29 Proposed cash dividend

For the year ended 31 December 2023, the Board of Directors have proposed a final cash dividend of 12.5 % (AED 0.125 per share) to the shareholders of the Company.

At the General Meeting held on 26 April 2023, the shareholders approved a 12.5 % (AED 0.125 per share) cash dividend proposed by the Board of Directors. The dividend amounting to AED 531.5 million was distributed in May 2023.

Further, at the General Meeting held on 12 September 2022, the shareholders approved a 7.5 % (AED 0.075 per share) interim cash dividend amounting to AED 318.90 million proposed by the Board of Directors which was distributed in October 2022.

30 Proposed directors' fee

Directors' fees amounting to AED 18 million has been proposed for the year ended 31 December 2023 (2022: AED 17.5 million) which represents compensation for professional services rendered by the Directors and included under administrative expenses (Note 7).

31 Basic and diluted earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to Owners of the Company and a weighted average number of ordinary shares outstanding calculated as follows:

	2023	2022
Profit attributable to Owners of the Company (AED '000)	**1,130,937**	1,608,565
Weighted average number of shares outstanding ('000s)	**4,252,020**	4,252,020
Basic and diluted earnings per share (AED)	**0.27**	0.38

32 Capital commitments

	2023 **AED'000**	2022 AED'000
Capital commitments – contracted and committed	**579,818**	461,476

Capital commitments mainly includes the following:

- value of construction contracts awarded to contractors for real estate projects under development.
- One of the subsidiaries of the Group has signed an agreement with RTA to share the cost of infrastructure and development works of the adjoining areas. Total outstanding commitment as at 31 December 2023 amounts to AED 159.9 million (2022: AED 196.7 million) which will be invoiced and paid until 2029, in semi-annual instalments of AED 14.5 million each.

The Group's share of capital commitments in the equity accounted investees' amounted to AED 37.29 million (2022: AED 97.55 million).

33 Contingent liabilities

The Group has contingent liabilities in respect of letters of guarantee and letters of credit amounting to AED 114.5 million (2022: AED 131.5 million) as at 31 December 2023. Further, the Group's share of contingent liabilities in the equity accounted investees' amounted to AED 10.77 million (2022: AED 11.76 million).

34 Lease rentals

Leases as lessor

The Group leases out its investment properties under operating lease. The minimum lease payments receivable under non-cancellable leases are as follows:

	2023	2022
	AED'000	AED'000
Less than one year	**667,556**	625,452
Between one to five years	**2,496,786**	2,391,573
More than 5 years	**5,232,424**	5,131,677
	8,396,766	8,148,702

35 Related party transactions

The Group, in the normal course of business, carries out transactions with other business enterprises that fall within the definition of related parties contained in International Accounting Standard 24.

Related party transactions are entered at mutually agreed terms.

The aggregate value of significant transactions with related parties during the year was as follows:

	2023	2022
	AED'000	AED'000
Sale of properties	**2,143**	-
Rental income	**5,047**	3,048
Interest income	**3,746**	1,056
Insurance premium	**5,869**	-
Cooling charges	**14,512**	21,381

Compensation to key management personnel, including Directors' fees is as follows:

Short-term benefits (including Directors' fees)	**39,267**	38,642
Post-employment benefits	**508**	508

36 Non-controlling interests

The Group does not have any individually material non-controlling interests in any of its subsidiaries as at 31 December 2023.

37 Investment in subsidiaries

(a) The following are the investments in subsidiaries held by the Company as at 31 December 2023:

Entity	Incorporated in	Ownership %
Dubai Investments Park Development Company LLC	UAE	100
Dubai Investment Real Estate LLC	UAE	100
Al Taif Investment LLC	UAE	60
Dubai Investments Industries LLC	UAE	100
Glass LLC	UAE	100
Masharie LLC	UAE	97.85
Dubai Investments International Limited	UAE	100
Anchor Mozna Real Estate LLC	UAE	100
Al Mal Capital PSC (Note 37 (b))	UAE	73.19
Al Mal Capital REIT	UAE	77.50
Properties Investment LLC	UAE	70
PID Owners Association Management LLC	UAE	70
DI Investment Holding Limited (Note 37 (c))	UAE	100

(i) The following are investments in subsidiaries held by Dubai Investment Real Estate LLC as at 31 December 2023:

Al Mujamma Real Estate LLC	UAE	100
Anchor Ritaj Real Estate One Person Company LLC	UAE	100
Anchor Nahda One Real Estate One Person Company LLC	UAE	100
Anchor Kawther Real Estate One Person Company LLC	UAE	100

(ii) The following are the investments in subsidiaries held by Dubai Investments Industries LLC as at 31 December 2023:

Emirates Building Systems Company LLC	UAE	100
Globalpharma LLC	UAE	100
Emirates Extruded Polystyrene LLC	UAE	100
Techsource LLC	UAE	100
DIID Management DMCC	UAE	90
University of Balamand Dubai	UAE	100

(iii) The following are the investments in subsidiaries held by Glass LLC as at 31 December 2023:

Emirates Glass LLC	UAE	100
Lumi Glass Industries LLC	UAE	100
Emirates Float Glass LLC	UAE	100
Saudi American Glass Company Limited	KSA	100

37 **Investment in subsidiaries** (continued)

(iv) The following are the investments in subsidiaries held by Masharie LLC as at 31 December 2023:

Entity	**Incorporated in**	**Ownership %**
Emirates Extrusion Factory LLC	UAE	100
White Aluminum Extrusion LLC	UAE	51
Folcra Beach Industrial Co LLC	UAE	80
Gulf Dynamic Services LLC*	UAE	70
Labtech Interiors LLC*	UAE	70
Gulf Dynamic Switchgears Company LLC*	UAE	100
Gulf Metal Craft LLC	UAE	100
Technological Laboratory Furniture - Manufacturers (Labtech) LLC*	UAE	70
Lite Tech Industries LLC	UAE	54

* These entities are currently under liquidation and legal counsel to execute the filing of liquidation.

(v) The following are the investments in subsidiaries held by Al Mal Capital PSC as at 31 December 2023:

Al Mal Real Estate Fund	UAE	64
Al Mal Capital (Mauritius) Ltd.	Mauritius	100
Blue Line India Opportunities	Mauritius	100
Pearl India Opportunities	Mauritius	100
Saqer Investments Limited	Cayman Islands	100
Al Mal Fund Company BSC	Bahrain	99
AMC Venture SPC	Cayman Islands	100
AMC Venture One Ltd	Cayman Islands	100
AMC Venture Two Ltd	Cayman Islands	100
Other*	Several	100

*Al Mal Capital PSC owns other SPEs which are either deemed dormant and insignificant.

(vi) The following are the investments in subsidiaries held by Dubai Investments International Limited as at 31 December 2023:

Dubai Investments International Angola, LDA	Angola	90

(b) During the current year, the Group acquired additional 3.01% equity interest in its existing subsidiary Al Mal Capital PSC. Post-acquisition of additional interest, the Company's shareholding in Al Mal Capital PSC has increased to 73.19%.

(c) During the year ended 31 December 2023, the Group incorporated wholly owned subsidiary Dubai International Financial Centre ("DIFC") namely, DI Investment Holding Limited ("DIIHL"). The principal business activities of DIIHL are to invest in commercial enterprises.

38 Disposal of controlling interest in subsidiaries

On 11 April 2022, the Group entered into a Sales and Purchase Agreement ("SPA") with a third party ("Buyer") for the disposal of the 50% equity interest in Emicool District Cooling LLC ("Emicool") against cash consideration.

On 25 July 2022, the Group signed a shareholders' agreement with the Buyer, transferred shares to the Buyer and received the consideration for the divestment of the equity interest resulting in the loss of control in Emicool which resulted in a gain of AED 980.42 million on the transaction which was reflected in the consolidated financial statements for the year ended 31 December 2022.

Upon the loss of control during the year ended 31 December 2022, the Group derecognised the assets and liabilities of Emicool and its subsidiaries ("Emicool Group") and the retained investment of 50% in Emicool Group has been remeasured at fair value and accounted for as a joint venture under 'investment in an equity accounted investee'.

39 Income taxes

Tax expense	**2023** **AED'000**	2022 AED'000
Current tax expense	**-**	-
Deferred tax expense	**19,530**	-
Total tax expense	**19,530**	-
Deferred tax liability	**19,530**	-

The Group will be subject to income tax (Note 3) with effect from 1 January 2024, and current taxes will be accounted, as applicable, for the period beginning 1 January 2024.

Differences between IFRS Accounting Standards and statutory taxation regulations in the UAE give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases.

The deferred tax liability mainly relates to Purchase Price Allocation adjustments relating to the acquisition of subsidiaries in prior years. No other material deferred tax assets or liabilities have been identified as at 31 December 2023.

40 Accounting estimates and judgments

Management has reviewed the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The following are the critical accounting estimates and judgment used by management in the preparation of these consolidated financial statements:

(a) Valuation of investment properties

The Group fair values its investment properties. Independent registered valuers, who have the appropriate recognised professional qualification value majority of the properties annually. Note 12 contains information about the valuation methodology considered by the third party valuers.

(b) Net Realisable Value ("NRV") assessment of properties held for development and sale

The Group reviews its inventories to assess any loss on account of diminution in the value of real estate inventories on a regular basis i.e. NRV assessment. A significant portion of the Group's inventories comprise property held for development and sale. For certain properties held for development and sale, NRV has been estimated with assistance from an independent registered valuer, who has the appropriate recognised professional qualification. For other properties held for development and sale, NRV was estimated internally by management. There are significant estimates and judgements involved including the Group's estimate of the selling price, construction cost for properties under development, estimated future market rent and capitalisation yield rates, which due to inherent nature of estimates, cannot be determined with precision.

(c) Impairment of other non-current assets

Other non-current assets such as property, plant and equipment, other intangible assets and investments in equity accounted investees are tested for impairment whenever there is an indication of impairment. Testing for impairment of these assets require management to estimate the recoverable amount of the cash generating unit.

(d) Determining fair values of financial investments

The determination of fair value for financial investments for which there is no observable market price requires the use of valuation techniques as described in Note 13. For financial investments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

(e) Determination of incremental borrowing rate

The Group uses the incremental borrowing rate for determination of its lease liability and right of use of asset. The Group has used the discount rate based on the rates at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(f) Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to continue and/or terminate lease. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Group as a lessee.

40 Accounting estimates and judgments (continued)

(g) Revenue recognition from sale of properties under development

(i) Satisfaction of performance obligations for property and land sales

The Group is required to assess each of its contracts with customers and apply judgment in order 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 for the provision of real estate assets, the Group does not create an asset with an alternative use and has an enforceable right to payment for performance completed to date. In these circumstances the Group recognises revenue over time. Where this is not the case revenue is recognised at a point in time.

(i) Cost to complete of the properties under development

The Group uses the percentage-of-completion method in accounting for its revenue from sale of properties held for development and sale. Use of the percentage-of-completion method requires the Group to estimate the cost incurred to date as a proportion of the total estimated project cost. The amount of revenue recognised for the period is in proportion to the percentage of cost incurred.

Using the proportion of cost incurred to date to the estimated cost of the project method requires the Group to estimate the obligations performed to date as a proportion of the total obligations to be performed under contracts with customers for sale of properties held for development and sale. These estimates include the 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.

(h) Recoverability of trade receivables

The Group reviews its trade receivables to assess impairment at least on an annual basis. In determining whether impairment losses should be reported in the consolidated statement of profit or loss. In doing so, the Group exercises significant judgment taking into account the legal circumstances and the ability of the counterparty to repay the outstanding amount, where applicable, to estimate the likelihood of recoverability (Note 5).

41 Segment reporting

The Group has broadly three reportable segments as discussed below, which are the Group's strategic business units. The strategic business units operate in different sectors and are managed separately because they require different strategies. The following summary describes the operation in each of the Group's reportable segments:

Property	development of real estate for sale and leasing
Investments	strategic minority investments in associates, investment banking, asset management and financial investments
Manufacturing, contracting and services	manufacture and sale of materials used in construction projects, executing construction contracts, production of raw and architectural glass, pharmaceutical products, production, aluminium extruded products, laboratory furniture, healthcare and education

Information regarding the operations of each segment is included hereafter. Performance is measured based on segment revenue and profit as management believes that profit is the most relevant factor in evaluating the results of certain segments relative to other entities that operate within these industries. There are a few transactions between the segments and such transaction are carried out on arm's length basis and are eliminated on consolidation.

41 Segment reporting (continued)

Information about reportable segments

	Property		Investments		Manufacturing contracting and services		Total	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
	AED'000	AED'000	**AED'000**	AED'000	**AED'000**	AED'000	**AED'000**	AED'000
Sales of goods and provision of services								
(i) at a point in time	**90,118**	24,055	**14,016**	38,040	**1,043,690**	1,150,143	**1,147,824**	1,212,238
(ii) over time	**-**	-	**-**	-	**-**	234,141	**-**	234,141
Total sales of goods and provision of services (i)+(ii)	**90,118**	24,055	**14,016**	38,040	**1,043,690**	1,384,284	**1,147,824**	1,446,379
Rental income	**969,739**	866,679	**-**	-	**-**	-	**969,739**	866,679
Contract revenue (over time)	**-**	-	**-**	-	**186,647**	242,660	**186,647**	242,660
Sales of properties - at a point intime	**662,280**	437,065	**-**	-	**-**	-	**662,280**	437,065
- overtime	**164,703**	-	**-**	-	**-**	-	**164,703**	-
Gain on fair valuation of investment properties	**702,633**	181,749	**-**	-	**-**	-	**702,633**	181,749
Gain on sale of investment properties	**1,100**	-	**-**	-			**1,100**	-
Gain on fair valuation of investments	**-**	-	**107,010**	(22,934)	**-**	-	**107,010**	(22,934)
Gain on sale of investments	**-**	-	**42,505**	11,784	**-**	-	**42,505**	11,784
Share of profit from equity accounted investees	**-**	-	**72,555**	59,370	**-**	-	**72,555**	59,370
Dividend income	**-**	-	**48,899**	40,448	**-**	-	**48,899**	40,448
Gain on disposal of controlling interest in a subsidiary and fair value gain on retained investment	**-**	-	**-**	980,415	**-**	-	**-**	980,415
Bargain purchase gain	**-**	-	**-**	11,479	**-**	-	**-**	11,479
Total income	**2,590,573**	1,509,548	**284,985**	1,118,602	**1,230,337**	1,626,944	**4,105,895**	4,255,094
Cost of sales and providing services	**(1,080,180)**	(694,966)	**-**	-	**(964,831)**	(1,264,053)	**(2,045,011)**	(1,959,019)
Administrative expenses	**(103,942)**	(98,131)	**(231,259)**	(155,704)	**(189,086)**	(252,195)	**(524,287)**	(506,030)
Finance costs	**(283,273)**	(139,579)	**(90,223)**	(47,724)	**(54,612)**	(62,398)	**(428,108)**	(249,701)
Finance income and other income	**56,315**	72,775	**30,274**	40,588	**13,599**	72,807	**100,188**	186,170
Net impairment losses on trade receivables	**(122,648)**	(122,124)	**-**	-	**(17,378)**	(39,363)	**(140,026)**	(161,487)
Profit before tax	**1,056,845**	527,523	**(6,223)**	955,762	**18,029**	81,742	**1,068,651**	1,565,027
Deferred tax expenses	**(2,766)**	-	**-**	-	**(16,764)**	-	**(19,530)**	-
Profit after tax	**1,054,079**	527,523	**(6,223)**	955,762	**1,265**	81,742	**1,049,121**	1,565,027
Profit after tax attributable to:								
Owners of the Company	**1,110,754**	555,586	**3,373**	955,414	**16,810**	97,565	**1,130,937**	1,608,565
Non – controlling interests	**(56,675)**	(28,063)	**(9,596)**	348	**(15,545)**	(15,823)	**(81,816)**	(43,538)
Profit after tax	**1,054,079**	527,523	**(6,223)**	955,762	**1,265**	81,742	**1,049,121**	1,565,027
Total assets	**14,834,935**	13,949,196	**4,666,325**	4,412,595	**1,936,537**	2,105,464	**21,437,797**	20,467,255
Total liabilities	**5,155,475**	4,869,290	**1,371,924**	1,190,753	**1,244,518**	1,370,238	**7,771,917**	7,430,281

The Group's revenue is mainly earned from transactions carried out in UAE and other GCC countries.

42 Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

42.1 Basis of consolidation

(a) Business combinations

The Group accounts for business combinations using the acquisition method when the control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination has been achieved in stages, the fair value of the existing equity interest in the acquiree, less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss.

Transaction costs are expensed as incurred except if related to the issue of debt or equity securities.

Any goodwill that arises is tested annually for impairment.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss.

Any contingent consideration is measured at fair value at the acquisition date. If an obligation to pay contingent consideration that meets the definition of financial instrument is classified as an equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, other contingent consideration is measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(b) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(c) Non-controlling interests

Non-controlling interests are measured at their proportionate share of the acquiree’s identifiable net assets at the acquisition date.

Changes in Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

42 Material accounting policies (continued)

42.1 Basis of consolidation (continued)

(d) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when the control is lost. In addition, any amounts previously recognised in "other comprehensive income" in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in "other comprehensive income" are reclassified to profit or loss.

(e) Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and joint ventures.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby, the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

Where the Group's share of losses in equity-accounted investees equals or exceeds its interest in the equity-accounted investees, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealised gains on transactions between the Group and its equity-accounted investees are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

(f) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

42 Material accounting policies (continued)

42.2 Revenue

The Group recognises revenue from contracts with customers based on a five step model as set out in IFRS 15:

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.

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 statement of comprehensive income 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.

The sales commission paid where applicable, is recognised as prepaid commission and is amortised to the statement of comprehensive income over time upon fulfilment of the related performance obligation.

42 **Material accounting policies** (continued)

42.2 **Revenue** (continued)

(a) Revenue from sale of goods

Revenue from sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. No element of financing is deemed present as the sales are made with a credit term of 30-60 days, which is consistent with market practice. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(b) Revenue from sale of properties

The performance obligation with regards to sale of properties is satisfied over time, as and when construction progresses. The revenue from sale of properties is a multiple of management's total estimated cost for the construction and a percentage of completion confirmed by external consultant for each individual project.

Management estimates the cost to complete for construction of the project in order to determine the cost attributable to revenue being recognised. These estimates include the cost of constructing property, potential claims by contractors and the cost of meeting other contractual obligations to the customers.

Infrastructure cost allocated to each project is released to the consolidated statement of profit or loss, as cost of properties sold within 'cost of sales and providing services', based on the percentage of construction completed confirmed by external consultants for each project and percentage of infrastructure cost incurred at each period end to the total estimated infrastructure cost.

The performance obligation with regards to the sale of properties where the construction has been completed prior to the sale is satisfied at a point in time where the sale purchase agreement is duly executed between the group and the customer.

The Group recognises a significant financing component where the timing of payment from the customer differs from the execution of the sale purchase agreement between the customer and the Group and where that difference is the result of the Group's financing of the customers' purchase of a property over a period of up to 5 years. The difference between the consideration receivable and the cash selling price of the property sold is used to determine a discount rate for the significant financing component of the non-current trade receivable on execution of each of the respective sale purchase agreements. As installment payments are received from the customer, the deferred revenue balance is drawn down and recognised as interest income. The Group has elected to apply the practical expeditent not to adjust the promised consideration where the period between the sale purchase agreement execution date and the date the customer pays for the property will be less than 1 year.

(c) Revenue from services rendered

Revenue from services rendered is recognised in the accounting period in which control of the services are passed to the customer, which is when the service is rendered. For certain service contracts, revenue is recognised based on the actual service provided during the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

42 Material accounting policies (continued)

42.2 Revenue (continued)

(d) Rental income

Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of the incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income.

(e) Contract revenue

Contract revenue from construction of building facades, installation and erection of heavy machineries and steel fabrication is measured at the transaction price agreed under the contract. Revenue is recognised over time based on the cost-to cost method. The related costs are recognised in profit or loss when they are incurred. Advances received are included in advances received from customers.

(f) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established.

42.3 Government grant

Government grant is initially recognised at fair value when there is a reasonable assurance that:

(a) the Group will comply with the conditions associated to them; and
(b) the grants will be received.

Government grant that compensates the Group for expenses incurred are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate. An unconditional government grant in the form of non-depreciable, non-monetary assets is recognised in profit or loss when the grant becomes receivable.

42.4 Finance income and expense

The Group's finance income and expense comprises of the following:

- interest income;
- unwinding of discount on financial assets measured at amortised cost;
- foreign exchange gains and losses on financial assets and liabilities;
- interest costs;
- unwinding of discount on financial liabilities measured at amortised cost;
- change in fair value of derivative financial instruments;
- bank charges;
- interest expenses on lease liabilities; and foreign exchange gain/(loss);

Borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognised as expense in profit or loss using the effective interest method. However, borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of that asset. The capitalisation of borrowing costs commences from the date of incurring of expenditure relating to the qualifying asset and ceases when all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Borrowing costs relating to real estate development for sale is accounted for as a finance cost in the consolidated statement of comprehensive income. Borrowing costs relating to the period after acquisition, construction or production are expensed. Capitalisation of borrowing costs is suspended during the extended period in which the active development of a qualifying asset has ceased. Foreign currency gain or losses are represented on a net basis either as finance income or finance expense depending on whether foreign currency movements are in a net gain or net loss position.

42 Material accounting policies (continued)

42.5 Property, plant and equipment

(a) Recognition and measurement

The Group's property, plant and equipment are stated at historical cost, less accumulated depreciation and accumulated impairment losses. Land is not depreciated.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for its intended use and capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(*b*) *Reclassification to investment property*

When the use of a property changes from owner-occupied to investment property, the property is re-measured to fair value and reclassified as investment property. A revaluation surplus is credited to other comprehensive income and accumulated in equity under the heading of fair value reserve and revaluation loss is charged to profit or loss. Any gain arising on re-measurement is recognised in profit or loss to the extent the gain reverses a previous impairment loss on the specific property. Any loss is recognised in other comprehensive income and presented in the revaluation reserve in equity to the extent that an amount had previously been included in the comprehensive income relating to the specific property, with any remaining loss recognised immediately in profit or loss.

(c) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. The costs of day-to-day servicing of property, plant and equipment is expensed as incurred.

(d) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component, since this mostly reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

	Years
Buildings	5-33
Plant and equipments	3-50
Office equipments and furniture	3-10
Motor vehicles	3-7

42 Material accounting policies (continued)

42.5 Property, plant and equipment (continued)

(d) Depreciation (continued)

Depreciation methods, useful lives and residual values are reviewed at each reporting period and adjusted if appropriate. Capital work-in-progress is stated at cost and includes assets that are being developed for future use. On completion of construction / once commissioned, capital work-in-progress is transferred to the respective category within property, plant and equipment, and depreciated in accordance with the Group's policy.

(e) Leased assets

Leases in terms of which the Group assumes all the risks and rewards of ownership are classified as finance leases. Assets acquired by way of finance lease is stated at an amount equal to the lesser of the asset's fair value and the present value of the minimum lease payment at inception of the lease, less accumulated depreciation and impairment losses (if any).

42.6 Intangible assets

(a) Subsequent measurement

Goodwill is tested annually for impairment and is carried at cost less accumulated impairment losses.

(b) Other intangible assets

Other intangible assets including technical know-how, product registration certificates, licenses and patents and trademarks, concession rights and customer contracts that have finite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses. These are amortised as per management's estimate of their useful life, which is between 5 to 39 years.

(c) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

42.7 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administration purposes. Where the Group provides ancillary services to the co-occupants of a property, it treats such a property as investment property if the services are a relatively insignificant component in the arrangement as a whole.

An investment property is measured at cost on initial recognition and subsequently at fair value with any changes therein are recognised in profit or loss.

42 Material accounting policies (continued)

42.7 Investment properties (continued)

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

The fair value adjustments on investment properties are included in profit or loss as investment returns in the period in which these gains or losses arise. In determining the carrying amount of investment properties, the Group does not double count assets or liabilities that have already been recognised as separate assets or liabilities.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the property) is recognised in profit or loss.

42.8 Inventories

Inventories comprise finished goods, raw materials, work-in-progress, spares and properties held for development and sale.

(a) Finished goods, raw materials, work-in-progress and spares

These are measured at lower of cost and net realisable value. The cost of raw materials and spares are based on the weighted average cost method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Finished goods are stated at cost of raw material and also include an appropriate proportion of overheads. Work-in-progress is stated at cost of raw materials and directly attributable overheads. Net realisable value is the estimated selling price in the ordinary course of business less estimated selling expenses.

(b) Properties held for development and sale

Properties held for development and sale are classified as inventories and stated at the lower of cost and net realisable value. Cost includes the aggregate cost of development and other direct expenses. Net realisable value is estimated by the management, taking into account the expected price which can be ultimately achieved, based on prevailing market conditions and the anticipated costs to completion.

The amount of any write down of properties held for development and sale is recognised as an expense in the period the write down or loss occurs. Any reversal of write down arising from an increase in net realisable value is recognised in profit or loss in the period in which the increase occurs.

42.9 Contract work-in-progress

Contract work-in-progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at contract cost incurred plus profits recognised to date less progress billing and less recognised losses. Contract work-in-progress is presented as part of other receivables in the statement of financial position for all contracts in which costs incurred plus recognised profits exceed progress billings. If progress billings exceed costs incurred plus recognised profits, then the difference is presented as part of other payables in the statement of financial position.

42 Material accounting policies (continued)

42.10 Financial instruments

(a) Non-derivative financial assets

The Group initially recognises financial assets on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Financial assets are initially measured at fair value. If the financial asset is not subsequently measured at fair value through profit or loss, the initial measurement includes transaction costs that are directly attributable to the asset's acquisition or origination. The Group subsequently measures financial assets at either amortised cost or fair value.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction when substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial asset that is created or retained by the Group is recognised as a separate asset or liability.

(i) Financial assets measured at fair value

A financial asset is subsequently measured at amortised cost using the effective interest method and net of any impairment loss, if:

- the asset is held within a business model with an objective to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest.

Financial assets measured at amortised cost comprise trade receivables, due from related parties, other receivables, cash and cash equivalents, rent receivables and finance lease receivables.

Financial assets other than those classified as financial assets measured at amortised cost are subsequently measured at fair value with all changes in fair value recognised in profit or loss.

However, for investments in equity instruments that are not held for trading, the Group may elect at initial recognition to present gains and losses in other comprehensive income on an instrument by instrument basis. For instruments measured at fair value through other comprehensive income, gains and losses are never reclassified to profit or loss and no impairments are recognised in profit or loss.

Dividends earned from such investments are recognised in profit or loss unless the dividends clearly represent a recovery of part of the cost of the investment.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and fixed deposits (with maturity of less than three months). Bank overdrafts, trust receipts and bills discounted that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

42 Material accounting policies (continued)

42.10 Financial instruments (continued)

(b) Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they originated. All other financial liabilities (including liabilities designated as fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Non-derivative financial liabilities comprise loans and borrowings, sukuk Notes and trade and other payables. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

42.11 Foreign currency

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non- monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

(b) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to AED at the exchange rates at the reporting date. The income and expenses of foreign operations are translated to AED at the average exchange rates for current year.

Foreign exchange differences arising on translation are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity. When a foreign operation is disposed of 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 gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to the non-controlling interests. When the Group disposes of only part of its interest in joint venture or an associate that includes a foreign operation while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

42 Material accounting policies (continued)

42.11 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the obligation. Increases in provisions due to the passage of time are recognised in the consolidated statement of comprehensive income within 'finance costs'.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

42.12 Impairment

(a) Non-derivative financial assets

A financial asset not carried at fair value is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, economic conditions that correlated with defaults, adverse changes in the payment status of borrower or issuer, the disappearance of an active market for a security, or observable data indicating that there is a measurable decrease in expected cash flows for a group of financial assets.

The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for specific impairment. Those found individually not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the related amount are written off. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

42 Material accounting policies (continued)

42.12 Impairment (continued)

(b) Equity-accounted investees

An impairment loss in respect of an equity accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

(c) Non- financial assets

At each reporting date, the Group reviews the carrying amounts of the Group's non-financial assets (other than investment properties and inventories) to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

For goodwill and intangible assets that have indefinite useful lives or that are not available for use are tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU's. Goodwill arising from business combination is allocated to CGU or group of CGU's that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit (CGU) exceeds in estimated receivable amount

Impairment losses are recognised in profit or loss. 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.

An impairment loss in respect of goodwill is not reversed. Impairment losses, other than in respect of goodwill is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

42.13 Provision for employee's end of service benefits

A provision is made, using actuarial techniques, for the end service benefits due to employees in accordance with the UAE Labour Law for their years of service up to balance sheet date.

Furthermore, in accordance with Federal Labour Law No.7 of 1999 for pension and social security, employers are required to contribute 12.5% of the 'contribution calculated on salary' of those employees who are UAE nationals. These employees are also required to contribute 5% of the 'contribution calculated on salary' to the scheme. The Group's contribution is recognised as an expense in profit or loss as incurred. The employees and employers' contribution, to the extent remaining unpaid at the reporting date, has been shown under other liabilities.

42 Material accounting policies (continued)

42.14 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involved the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where all the decisions about how and for what purpose the asset is used are predetermined, the Group has the right to direct the use of the asset if either:
    - the Group has the right to operate the asset; or
    - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At the inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-to-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discounted rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

42 Material accounting policies (continued)

42.14 Leases (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee or if the Group changes its assessment of whether it will exercise a purchase, extension or terminate option.

Lease liability is subsequently increased by the finance costs on the lease liability and decreased by lease payments made.

Each lease payment is allocated between the liability and finance cost. The finance costs is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-to-use assets that do not meet the definition of investment property in 'right-of-use'.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal and termination options (Note 39). The assessment of whether the Group is reasonably certain to exercise such options impacts lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

The right-of-use assets within buildings includes offices, labour camps and warehouses and plant and equipment consists of a lease of a sewage treatment plant.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of vehicle that have a lease term of 12 months or less and leases of low-value assets, including office equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Variable lease payments

The Group leases land from the Government of Dubai for a period of 99 years. The Group was exempted to pay the lease rentals for the first ten years and thereafter, starting 1 February 2009, rental payments that are based on variable payment terms being 20% of the share of realised profit is payable to the Government of Dubai. As the lease payments are variable, no lease liability has been recognised for this lease. The Group has recognised the right-of-use asset as an investment property and is being carried at fair value in line with its accounting policy.

42 Material accounting policies (continued)

42.14 Leases (continued)

As a lessor

When the Group acts as a lessor, it determines at the lease commencement whether each lease is a finance lease or an operating lease. To classify each lease the Group makes an overall assessment of whether the lease transfer to the lessee substantially all of the risk and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance leases; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for major part of the economic life of the asset.

When assets are leased out under an operating lease, the asset is included in the balance sheet based on the nature of the asset. Lease income is recognised over the term of the lease on a straight-line basis.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Revenue'.

42.15 Earnings per share

The Group presents basic earnings per share (EPS) data for its shares. Basic EPS is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of shares outstanding during the year. Weighted average number of shares outstanding is retrospectively adjusted to include the effect of any increase in the number of shares without a corresponding change in resources.

42.16 Current and deferred income tax

Income taxes have been provided for in the consolidated financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax charge / (credit) comprises current tax and deferred tax and is recognised in profit or loss for the year, except if it is recognised in other comprehensive income or directly in equity because it relates to transactions that are also recognised, in the same or a different period, in other comprehensive income or directly in equity.

Taxable profits or losses are based on estimates if the consolidated financial statements are authorised prior to filing relevant tax returns. Taxes other than on income are recorded within operating expenses.

Deferred income tax is provided using the balance sheet liability method for tax loss carry forwards and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. In accordance with the initial recognition exemption, deferred taxes are not recorded for temporary differences on initial recognition of an asset or a liability in a transaction other than a business combination if the transaction, when initially recorded, affects neither accounting nor taxable profit and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences. Deferred tax liabilities are not recorded for temporary differences on initial recognition of goodwill, and subsequently for goodwill which is not deductible for tax purposes. Deferred taxes are recorded on temporary differences arising after initial recognition of goodwill, including those arising on initial introduction of the tax law in the UAE. Deferred tax balances are measured at tax rates enacted or substantively enacted at the end of the reporting period, which are expected to apply to the period when the temporary differences will reverse or the tax loss carry forwards will be utilised.

42 Material accounting policies (continued)

42.16 Current and deferred income tax (continued)

Deferred tax assets for deductible temporary differences and tax loss carry forwards are recorded only to the extent that it is probable that the temporary difference will reverse in the future and there is sufficient future taxable profit available against which the deductions can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The Group controls the reversal of temporary differences relating to taxes chargeable on dividends from subsidiaries or on gains upon their disposal. The Group does not recognize deferred tax liabilities on such temporary differences except to the extent that management expects the temporary differences to reverse in the foreseeable future.

42.17 Segment reporting

Segment results that are reported to the Board of Directors (Chief Operating Decision Maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Annual Corporate Governance Report 2023

1- Corporate Governance Practices

Over the years, Dubai Investments PJSC's (DI) robust governance and reputation for integrity has established a basis for prosperity. DI's fundamental values support this culture and guide its endeavours to fulfill stakeholder requirements, provide value for investors, and contribute to building an inclusive and fair society. As a public listed company in Dubai Financial Market, DI manages diverse portfolios of businesses, ensuring sustainable financial returns for shareholders. With strategic diversification and organized divestment, the Company has continuously pursued growth and stability, maintaining our momentum through consistent performance. Committed to innovation, DI strives to emerge as a premier investment company meeting diverse local and global economic demands, fostering growth and profitability across its businesses. DI undertakes to align with the United Nations Sustainable Development Goals (SDGs) through a comprehensive roadmap of actions and pledges. The Group is dedicated to advancing the UAE 2031 Vision and the Dubai Industrial Strategy 2030, which seek to position the UAE as a leading global hub focused on knowledge, sustainability, and innovation.

Dubai Investments has positively impacted society by implementing a management framework focusing on seven sustainability pillars characterized by:

- A Company with Integrity
- Amplifying Economic Impacts
- Operating Responsibly
- Protecting Natural Resources
- A Strong Workforce
- Valuable Relationships
- Supporting Communities

DI has implemented various governance frameworks to track the progress of essential commitments and targets, incorporating procedures and controls for the disclosure and verification of data and endeavours to adhere to the highest levels of corporate governance.

The Company's responsible operations and strategy for long-term growth are directly impacted by the interaction at the Group level and with stakeholders. The understanding acquired through its involvement with essential stakeholders is taken into consideration in the formulation of the company's business strategies, as well as in the creation of services, policies, and procedures. DI has identified investors, customers, employees, regulators, local communities, suppliers and partners, as key stakeholders and continue to closely engage with them systematically.

The Company's engagement with each of its stakeholders happens through various online and offline channels, and every effort is taken to review the findings through interactions and integrated feedback into its systems. DI maintains open communication channels with shareholders and investors, providing regular updates on company performance and financial results, ensuring transparency and accountability. The Company and its subsidiaries' commitment to customer satisfaction steers it to continually improve products and services, catering to customer's needs and preferences while ensuring high-quality standards and reliability.

DI also prioritize the well-being and professional development of its employees, fostering a positive work environment, providing growth opportunities, and promoting diversity across all levels of the organization. All regulatory requirements are adhered to and the Company ensures to engage proactively with regulators to ensure compliance, transparency, and good governance practices. In addition, DI actively engages with local communities, supporting initiatives that promote social welfare, economic development and environmental sustainability, demonstrating its commitment to being responsible corporate citizen. The Group also engage with key suppliers about operational efficiency, meeting client needs, risk management, sustainability, and promoting diversity, equity, and inclusion in the supply chain. These efforts contribute significantly to advancing DI's initiatives, assessing significant risks and opportunities, and enhancing information flow and ideas.

DI's governance structure ensures safeguards against the risks, while employees and processes share the responsibility for risk management, and the Board governs it with the utmost leadership. During the year, the board members have undergone several trainings on Environment, Sustainability and Governance (ESG) and engaged with the stakeholders such as the community, suppliers, workforce, and partners on these topics. Proper controls are integrally embodied in the Board Committees, the External Auditor, and the Internal Control procedures outlined in the Governance Section of the Corporate Governance Report.

Dubai Investments aims to continually oversee the business and associated risks in a way that strikes a balance between meeting the needs of its customers, and investors while safeguarding the safety and stability of the Company. DI's upcoming investments and business focus will revolve around the theme of sustainable innovation which will guide the organization in making investments while driving the sustainability agenda across its portfolio. DI aspire to be the preferred partner for its stakeholders, offering services that not only yield competitive financial returns but also contribute to environmental and social benefits.

2- Ownership and transactions by Board members

The ownership and transactions by Board members, their spouses, children in the Company's securities during 2023.

Sr. No.	Name/ Relationship	Title	Number of Shares as of 31/12/2023	Total Sell	Total Buy
1	Mr. Abdulrahman Ghanem A. Al Mutaiwee	Chairman	100,000	Nil	Nil
2	Mr. Khalid Jassim Mohd Bin Kalban	Vice Chairman and Chief Executive Officer	2,532,222	Nil	Nil
	Spouse	-	117,525	Nil	Nil
3	Mr. Ali Fardan Ali Al Fardan	Director	105,000	Nil	Nil
4	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Director	216,605,337	Nil	Nil
	Spouse	-	105,000	Nil	Nil
5	Mr. Khaled Mohammad Ali Al Kamda	Director	Nil	Nil	Nil
	Spouse	-	68,862	Nil	Nil
	Son	-	93,733	Nil	Nil
	Daughter	-	3,862	20,000	Nil
6	Mr. Hussain Nasser Ahmed Lootah	Director	8,068,449	Nil	Nil
	Daughter	-	72,260	Nil	Nil
	Daughter	-	206,640	Nil	Nil
	Daughter	-	50,000	Nil	Nil
	Daughter	-	163,306	Nil	Nil
7	Mr. Faisal Abdulaziz Alshaikhmohamed Alkhazraji	Director	Nil	Nil	Nil
8	Mr. Ahmed Salem Abdulla Salem Alhosani	Director	10,000,000	Nil	Nil
9	Ms. Hind Abdulrahman Qassim Alali	Director	Nil	Nil	Nil

3- Board of Directors

(a) Board of Directors Composition

The Board comprises of 5 (five) independent and 3 (three) non independent members who are all non-executive Directors and the Vice-Chairman and Chief Executive Officer, who were elected by the shareholders for a period of three years during the Annual General Meeting held on 26th April 2023.

All the Directors are UAE nationals with requisite skills and expertise.

Biography of the Board Members

The Board Members' experience, skills and other noteworthy offices held in publicly listed or Government entities and other important supervisory positions, are detailed below:

Committees
A C Audit Committee
NRC Nomination and Rewards Committee
R C Risk Committee
I C Investment Committee
Committee Chairman / Chairperson

Mr. Abdulrahman Ghanem A. Al Mutaiwee **NON-INDEPENDENT**
Chairman of the Board
Appointment date: 10th April 2017

Mr. Abdulrahman Ghanem A. Al Mutaiwee has been a high-ranking diplomat and held senior management positions in various ministries and government establishments.
He worked in the banking field for 4 years and then as Director General of the Dubai Chamber of Commerce and Industry (DCCI) for a period of 23 years. Thereafter he served as the Ambassador of the UAE to the Court of St. James and Iceland for 7 years. He was also the Director in the Ministry of Foreign Affairs and International Cooperation in Dubai for 3 ½ years till the end of 2019. He holds a Bachelor's Degree in Economics and Political Science from Cairo University and Diploma in Banking and Financial Studies from New York.
He currently holds the following positions:

- Vice Chairman International Charity Organization.
- Vice Chairman of the UAE International Investors Council (UAEIIC).

Mr. Khalid Jassim Mohd Bin Kalban **EXECUTIVE** IC
Vice Chairman and Chief Executive Officer
Appointment date: 18th May 2002

Mr. Khalid Bin Kalban has extensive experience in manufacturing and industrial sectors as well as financial, investment and real estate sectors. He holds an Associate Degree of Arts in Business Management from Arapahoe Community College, USA and BS in Management from Metropolitan State College, USA. He currently holds the following positions:

- Chairman of Al Mal Capital PSC.
- Board Member of National General Insurance PJSC.
- Board Member of Arcapita Investment Management B.S.C.(c) – Bahrain.
- Board Member of Monument Bank -United Kingdom.

Mr. Ali Fardan Ali Al Fardan **NON- INDEPENDENT** NRC AC
Board Member
Appointment date: 18th May 2002

Mr. Ali Al Fardan has significant experience in Real Estate Management, Property Investment, Capital Investment Management and Hospitality Management. He holds a Bachelor of Science in Management and Information System. He currently holds the following positions:

- Chairman of Al Fardan PTC Holding Limited.
- Chairman of Alfardan Group (Alfardan Real Estate & The First Investor LLC).
- Board Member of Commercial Bank of Dubai PJSC.
- Board Member of Al Mal Capital PSC.
- Board Member of National General Insurance PJSC.

Mr. Mohamed Saif Darwish Ahmed Al Ketbi ***NON - INDEPENDENT*** AC RC
Board Member
Appointment date: 19th April 2011

Mr. Mohamed Al Ketbi has experience in Investments and Projects, Real Estate and Hospitality Sectors. He holds a Bachelor Degree in Business Administration majoring in Business Management from Higher College of Technology, United Arab Emirates (UAE). He currently holds the following positions:

- Board Member of Al Mal Capital PSC.
- Board Member of National General Insurance PJSC.
- Director – Investment & Business Development, Darwish Bin Ahmed & Sons LLC.
- Board Member of AHI Carrier FZC.

Mr. Khaled Mohammad Ali Al Kamda ***INDEPENDENT*** AC IC
Board Member
Appointment date: 10th April 2017

Mr. Khaled Al Kamda has over three decades of senior management experience across a number of sectors including airlines, private equity and banking and has also held senior management positions in Government establishments. He holds a Bachelor's Degree in Electrical Engineering from Florida Institute of Technology, USA and a MBA Degree from Cranfield School of Management, England.

Mr. Hussain Nasser Ahmed Lootah ***INDEPENDENT*** RC NRC
Board Member
Appointment date:3rd June 2020

Mr. Hussain Lootah is a prominent business figure in the UAE, holding throughout his career, chairmanship and membership of several Government committees. Among several key positions held by him, included his association with Dubai Municipality for over 30 years, culminating in his 12 years tenure as the Director General of Dubai Municipality till the year 2018. He also played a prominent role in establishing the Society of Engineers where he chaired its Board for 4 years. He holds a degree in Civil Engineering from the University of Arizona, USA. He currently holds the following position:

- Chairman of Hussain Lootah Group (HLG).

Mr. Faisal Abdulaziz Alshaikhmohamed Alkhazraji ***INDEPENDENT*** AC
Board Member
Appointment date: 26th April 2023

Mr. Faisal Alkhazraji is a distinguished business leader with a strong presence in the corporate landscape. He holds prominent positions in various organizations, exhibiting his expertise across different industries. His academic background includes a Bachelor's Degree in Architectural Engineering from the United Arab Emirates (UAE) University, and he is also a member of the Society of Engineers. He currently holds the following positions:

- Board Member of National General Insurance PJSC.
- Board Member of Belhasa International Company LLC - Construction Sector.

Mr. Ahmed Salem Abdulla Salem Alhosani ***INDEPENDENT*** RC
Board Member
Appointment date: 26th April 2023

Mr. Ahmed Alhosani is a business professional with a track record and a diverse skill set. Throughout his career spanning various companies, he has consistently demonstrated his expertise in overseeing strategic initiatives and driving operational excellence. He holds a Masters degree of Science in Business Management (MBA) from The University of Wales.
He currently holds the following positions:

- Vice Chairman Sharjah Insurance Company PJSC.
- Board Member Gulf Medical Projects Company PJSC.
- Head of Real Estate Development at Al Salem Company limited LLC.

Ms. Hind Abdulrahman Qassim Alali **INDEPENDENT** NRC I C
Board Member
Appointment date: 26th April 2023

Ms. Hind Alali is a business professional and has extensive experience and expertise in the industrial sector, particularly in supply chain management. Her experience includes industrial investments, asset management and merger and acquisition transactions. She has a Bachelor's degree in Financial Management from Zayed University, Passed Level one of CFA program, completed several executive and management programs from INSEAD and the London School of Economics. She currently holds the following positions:

- Board Member of National General Insurance PJSC.
- Board Member of Emirates Food Industries Company LLC.
- Board Member of Emirates Global Aluminium – Singapore.

(b) & (c) Women Representation on the Board

Whilst there is presently 1 (one) woman representation on the Board, it may be noted that DI had 2 (two) women candidates for the Board elections. However, Ms. Hind Abdulrahman Qassim Alali was elected by the shareholders by electronic cumulative secret vote at the Annual General Assembly Meeting held on 26th April 2023.

DI strongly believes in encouraging women's participation in all levels of the business and presently women comprise 22.22% of the Executive Management team.

(d) Board Remuneration

1. The shareholders had approved the Board of Directors remuneration amounting to AED17.5 Mn (AED Seventeen Million and Five Hundred Thousand) for the year 2022.
2. The Nomination & Rewards Committee and the Board of Directors have recommended an amount of AED18 Mn (AED Eighteen Million) as remuneration for Board of Directors for the year 2023. However, the same is subject to shareholders' approval at the forthcoming Annual General Assembly Meeting.
3. The total fixed allowances for Board committee meetings for the year 2023 is as follows:

Sr. No.	Name	Allowances for Attending the Board Committee meetings		
		Committee Name	Value of Allowances (AED)	Meetings attended
1	Mr. Ali Fardan Ali Al Fardan	Audit Committee	150,000	5
		Nomination and Rewards Committee	130,000	3
		Investment Committee*	35,000	1
2	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Audit Committee	150,000	5
		Risk Committee	140,000	4
3	Mr. Khaled Mohammad Ali Al Kamda	Audit Committee	150,000	5
		Investment Committee	130,000	3
4	Mr. Hussain Nasser Ahmed Lootah	Risk Committee	140,000	4
		Nomination & Rewards Committee	130,000	3
5	Mr. Khalid Jassim Mohd Bin Kalban	Investment Committee	130,000	3
6	Mr. Faisal Abdulaziz Alshaikhmohamed Alkhazraji	Audit Committee	115,000	4
7	Mr. Ahmed Salem Abdulla Salem Alhosani	Risk Committee	105,000	***1
8	Ms. Hind Abdulrahman Qassim Alali	Nomination & Rewards Committee	85,000	1
		Investment Committee	95,000	2
9	Mr. Mushtaq Masood Syed Mohideena	Investment Committee	130,000	3
10	Mr. Abdulrahman Mohamed Rashed Al Shared**	Risk Committee	35,000	1
		Nomination & Rewards Committee	45,000	2

Notes:
* Ceased to be member of Investment Committee from 3rd May 2023.
**Ceased to be member of Risk Committee and Nomination & Rewards Committee from 26th April 2023.
***Did not attend due to National Service.

4. During 2023, no additional allowances, salaries, or fees, other than what is stated in this Report, were paid to any member of the Board of Directors, except Mr. Khalid Jassim Mohd Bin Kalban who is Vice Chairman and Chief Executive Officer of the Company.

(e) Board meetings

The Board of Directors convened 7 (seven) times during 2023, as follows:

Sr. No	Date of Board meeting	Number of attendees	Proxy	Names of absent Directors
1	20th March 2023	7	None	None
2	3rd May 2023	9	None	None
3	11th May 2023	9	None	None
4	3rd August 2023	8	None	Mr. Ahmed Salem Abdulla Salem Alhosani *
5	20th September 2023	9	None	None
6	14th November 2023	9	None	None
7	13th December 2023	8	None	Mr. Ahmed Salem Abdulla Salem Alhosani *

Note:
* Did not attend due to National Service.

(f) Number of Board of Directors Resolution by circulation issued during the financial year 2023

The Board of Directors unanimously approved 4 (four) Resolutions by circulation during 2023 on 19th January, 7th February, 7th March, 28th March 2023.

4- Board of Directors Committees

4.1 Audit Committee (AC)

The Roles and Responsibilities of the Audit Committee inter alia include:
- *Review the annual and quarterly Financial Statements;*
- *Review the effectiveness of the Internal Control Over Financial Reporting;*
- *Review of Related Party transactions, managing conflict of interests, and submitting recommendations concerning such transactions to the Board;*
- *Review the adequacy of insurance coverage and legal dispute status;*
- *Review Internal Control reports and following up the implementation of corrective measures and*
- *Review and assessment of Internal Control and Risk management system.*

To provide independence from management, all members of the Audit Committee are Non-Executive and the Chairman of the Board is not a member of the Audit Committee. Mr. Khaled Mohamed Ali Al Kamda was nominated as the financial expert on the Audit Committee and serves as the Chairman of the Audit Committee. Notably, the Audit Committee has unrestricted access to the records of the Company and can seek expert advice if required.

The Audit Committee convened 5 (five) times during 2023 on 20th March, 10th May, 2nd August, 14th November and 12th December 2023 and the following table summarizes the members and their attendance:

Sr. No.	Name	Title	Meetings attended
1	Mr. Khaled Mohamed Ali Al Kamda	Chairman	5
2	Mr. Ali Fardan Ali Al Fardan	Member	5
3	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Member	5
4	Mr. Faisal Abdulaziz Alshaikhmohamed Alkhazraji*	Member	4

Note:
* Elected to the AC on 3rd May 2023.

Mr. Khaled Mohamed Ali Al Kamda, the Audit Committee Chairman, declares his responsibility for the Committee's system in the Company and that he has reviewed the mechanism of its work and that he has ensured its effectiveness.

4.2 Nomination & Rewards Committee (NRC)

The Roles and Responsibilities of the Nomination & Rewards committee inter alia include:

- *Verify the independence of the Board members by means of a Declaration of Independence form which was completed and signed by each independent member;*
- *Review and approve the Human Resources policies;*
- *Annual Board members' Evaluation;*
- *Promote gender diversity at Board, Executive management and staff level and annually review the Emiratisation activities being undertaken by the Company;*
- *Review annually the ongoing suitability of the Company's policy for remuneration and benefits for the Company's Board of Directors and Executive Management.*

To provide independence from management, all members of the Nomination and Rewards Committee are Non-Executive and the Chairman of the Board is not a member of the Committee. Ms. Hind Abdulrahman Qassim Alali serves as the Chairperson of the Nomination and Rewards Committee.

The Nomination and Rewards Committee convened 3 (three) times in 2023 on 20th March, 17th April, 3rd August 2023 and the following table summarizes the members and their attendance:

Sr. No.	Name	Title	Meetings attended
1	Ms. Hind Abdulrahman Qassim Alali*	Chairperson	1
2	Mr. Ali Fardan Ali Al Fardan	Member	3
3	Mr. Hussain Nasser Ahmed Lootah	Member	3
4	Mr. Abdulrahman Mohamed Rashed Al Shared**	Member	2

Notes:
* Elected to the NRC on 3rd May 2023.
** Ceased to be member of NRC on 26th April 2023.

Ms. Hind Abdulrahman Qassim Alali, the Nomination and Rewards Committee Chairperson, declares her responsibility for the Committee's system in the Company and that she has reviewed the mechanism of its work and that she has ensured its effectiveness.

4.3 Risk Committee (RC)

The Risk Committee's objective and purpose is to assist the Board in fulfilling its oversight responsibilities in relation to Enterprise Risk Management (ERM). The Risk Committee performs the following functions as detailed in its Charter:

- *Oversee the ERM framework in place, which provides structure as to how material risk exposures are measured, monitored, managed, and mitigated; and includes appropriate policies, procedures, and controls.*
- *Reviews and approves the Risk Tolerance/Risk Limits in line with Board approved Risk Appetite.*
- *Prepares detailed reports on the level of exposure to risks and make recommendation to the Board, ensure availability of adequate resources and systems for risk management and report on the Company risk profile and inform the Board of any significant changes in the volume of the risk.*
- *Additionally, the RC also reviews the Group's insurance coverage.*

The Committee recommended the Risk Appetite Statement to the Board and reviewed the periodic, consolidated Risk Reports, which were presented to the Committee by the Risk Department.

The RC convened 4 (four) times in 2023 on 20th March, 10th May, 2nd August and 13th December 2023 and the following table summarizes the members and their attendance:

Sr. No.	Name	Title	Meetings attended
1	Mr. Hussain Nasser Ahmed Lootah	Chairman	4
2	Mr. Mohammed Saif Darwish Ahmed Al Ketbi	Member	4
3	Mr. Ahmed Salem Abdulla Salem Alhosani *	Member	***1
4	Mr. Abdulrahman Mohamed Rashed Al Shared **	Member	1

Notes:
* Elected to the RC on 3rd May 2023.
** Ceased to be member of RC on 26th April 2023.
*** Did not attend due to National Service.

Mr. Hussain Nasser Ahmed Lootah as Chairman of the Risk Committee declares his responsibility for the Committee's system in the Company and that he has reviewed the mechanism of its work and that he has ensured its effectiveness.

4.4 Committee for Management and Supervision of Insiders' Trading (ITSC)

The Insider Trading Supervision Committee (ITSC) performs the following functions as detailed in its Charter:

- *Manage, follow-up and supervise insiders' trading and their shareholding in DI shares;*
- *Maintain a special and comprehensive register for all insiders, including persons who could be considered as insiders on a temporary basis and who are entitled to or have access to inside information of the Company prior to publication. The record also includes details of initial declaration and subsequent updates on the trades by insiders and their shareholding;*
- *Review the Securities Dealing Policy of the Company, including but not limited to Trading on Material Price Sensitive Information and Periodic Declarations by Insiders; and*
- *Submit statements and reports to the Market, when required.*

The ITSC convened (4) four meetings during 2023 on 27th February,13th April, 13th July and 13th November 2023 and the following table summarizes the members and their attendance:

Sr. No.	Name	Title	Meetings attended
1	Mr. Abdulaziz Bin Yagub Bin Yousef AlSerkal	Chairman	4
2	Mr. Mushtaq Masood Syed Mohideena	Member	4
3	Mr. Kurian Chacko	Member	4

Mr. Abdulaziz Bin Yagub Bin Yousef AlSerkal, as ITSC Chairman, declares his responsibility for the Committee's system in the Company and that he has reviewed the mechanism of its work and that he has ensured its effectiveness.

4.5 Investment Committee (IC)

The Roles and Responsibilities of the Investment Committee (IC) inter alia include:

- *Appraise Investments/Divestments Proposals.*
- *Review /approve investments/divestments until transaction closure.*
- *Evaluate the Investment/Divestment Proposals to ensure alignment with overall group corporate strategy, risk limitations and return requirements, while taking into consideration impact on DI Group's capital structure and debt covenants.*
- *Responsible for Treasury investment activities including Investments in Listed Equities, Quoted Fixed Income instruments, Alternative Investments in assets other than stocks, bonds and cash, and Unquoted Equity Securities.*
- *Approve Non-binding Offers to be executed.*
- *For investments which have been approved by Board, IC provides approval of Binding Offer within the investment terms/parameters approved by the Board in the Investment Appraisal stage.*

The IC convened 3(three) meetings during 2023 on 7th February, 15th May, 2nd August 2023 and the following table summarizes the members and their attendance:

Sr. No.	Name	Title	Meetings attended
1	Mr. Khalid Jassim Mohd Bin Kalban	Chairman	3
2	Mr. Khaled Mohammed Ali Al Kamda	Member	3
3	Mr. Mushtaq Masood Syed Mohideena	Member	3
4	Ms. Hind Abdulrahman Qassim Alali*	Member	2
5	Mr. Ali Fardan Ali Al Fardan**	Member	1

Notes:
* Elected to the IC on 3rd May 2023.
** Ceased to be member of IC on 3rd May 2023.

Mr. Khalid Jassim Mohd Bin Kalban as Chairman of the Investment Committee declares his responsibility for the Committee's system in the Company and that he has reviewed the mechanism of its work and that he has ensured its effectiveness.

4.6 Board Duties and Delegation to Executive Management

The powers reserved for the Board of Directors have been explicitly stated in the Board Charter in compliance with legislations and regulations inter alia, UAE Federal Decree Law No. (32) of 2021 of the Commercial Companies and its amendments, Chairman Resolution No (3/Chairman) of 2020 concerning Joint Stock Companies Governance Guide and the Articles of Association of the Company.

Detailed job descriptions are provided for each member of the Executive Management. During 2023 the Board did not delegate any of its reserved powers to the Executive Management.

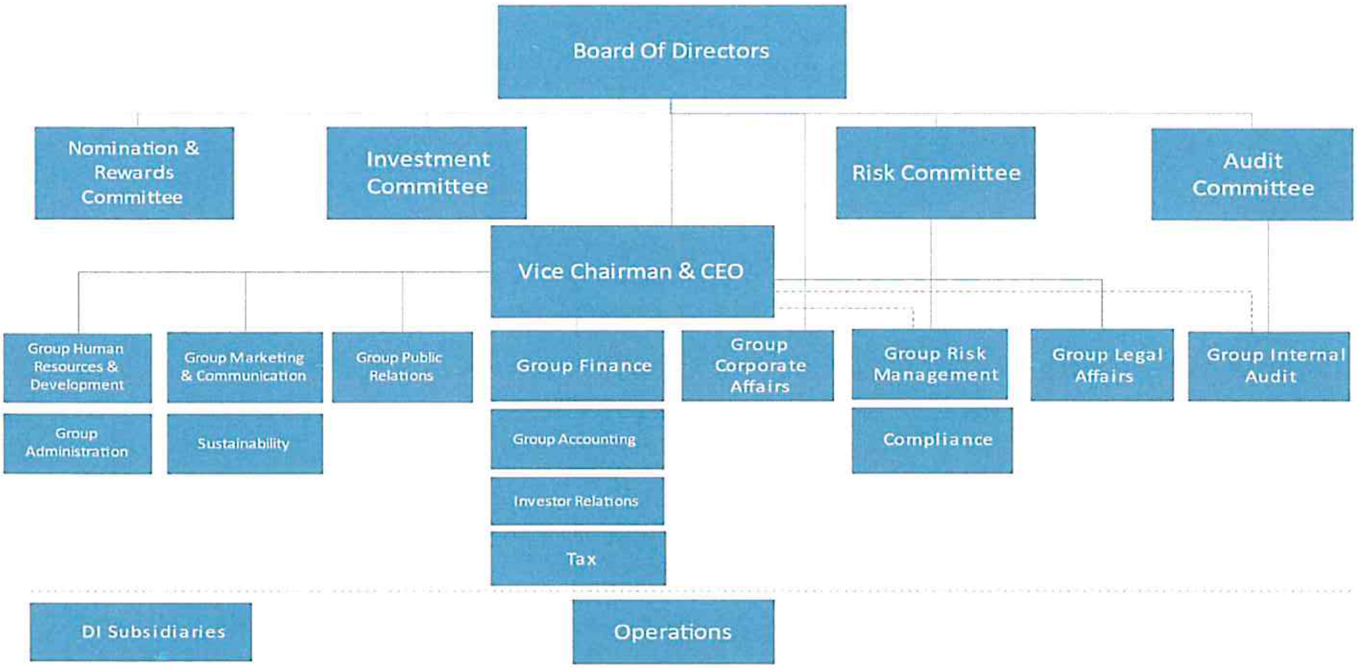
The Board oversees the company strategically, reviews the strategies and implementation with the executive management, while the Executive management is authorized to run the day-to-day activities of the Company as per the Delegation of Authority approved by the Board of Directors.

4.7 Transactions with Related Parties

A statement of the details of transactions made with the Related Parties during 2023 are as follows:

Sr. No	Company	Name of the related parties	Nature of relationship	Type of transaction	Transaction Value (AED)
1	Dubai Investments Real Estate	Mr. Kamil Ibrahim Shamoun	Employee -DIR	Sales commission @ 1% on sale of 9 Units (Danah Bay)	373,722
2	Dubai Investments Real Estate	Mr. Abdulrehman Ghanem Almutaiwee	Chairman- DI	Rent for Lease of Apartment in Mirdif Hills	85,000
3	Dubai Investments Real Estate	Mr. Omar Sultan Al Mesmar	GM- DIP	Purchase of Townhouse in Danah Bay	2,583,169
4	Dubai Investments Real Estate	Mr. Mohammed Saeed Al Raqbani	GM- Masharie & DII	Purchase of Villa in Danah Bay	7,808,356
5	Dubai Investments Real Estate	Mr. Kamil Ibrahim Shamoun	Employee -DIR	Purchase of Villa in Danah Bay	7,418,000
6	Dubai Investments Real Estate	Mr. Hussain Nasser Ahmed Lootah	Director – DI	Purchase of Villa in Danah Bay	7,261,772
7	Dubai Investments Real Estate	Mr. Hussain Nasser Ahmed Lootah	Director – DI	Purchase of Villa in Danah Bay	7,261,772
8	Dubai Investments Real Estate	Mr. Mohamed Saif Darwish Al Ketbi	Director – DI	Purchase of Breakwater Villa in Danah Bay	20,000,000
9	Al Mal Capital PSC	Ms. Amira Mahmoud El Asuoty	Employee – DI	Interest charges, broker commission, and subscription charges	2,573
10	Emicool District Cooling LLC – (Emicool)	Mr. Nasser Mohammad N. Bin Jarsh	Employee-Emicool	Chilled water services	101,410

5- Organization Structure of the Company



(j) Executive Management

The Vice-Chairman and Chief Executive Officer has been appointed by the Board of Directors to oversee the day-to-day operations of the Company and together with the executive management team they effectively implement the Board's vision, mission, and strategic initiatives.

Remuneration paid by the Company to Executive Management in 2023 is tabulated below:

Sr. No.	Designation	Date of Appointment	Total Annual Salary Paid in 2023 (AED)*	Total Annual Bonus Paid in 2023 (AED)**	Any Other Cash or Non-Cash Rewards in 2023 or which shall be due in the future
1	Vice Chairman and Chief Executive Officer	1st July 1995	4,673,172	7,500,000	***
2	CEO- Industrial Platform	1st March 1998	2,444,400	486,102	***
3	Group Chief Financial Officer	2nd January 2008	1,518,420	541,014	***
4	Chief Corporate Affairs Officer	1st May 2005	1,116,564	316,405	***
5	Chief Internal Audit Officer	3rd October 2005	1,102,404	310,895	***
6	Chief Human Resources and Administration Officer	1st November 2012	1,027,212	288,235	***
7	Director - Group Marketing and Communications	1st October 2004	804,420	176,492	***
8	Group Public Relations Manager	1st September 2004	635,340	175,375	***
9	Group Legal Advisor	23rd May 2021	615,216	120,800	***

Notes:
* Includes allowances, general pension, and social security.
** Paid in 2023 pertaining to 2022.
*** Bonuses for the year 2023 have not been declared as of the date of this Report.

6- External Auditor

(a) Brief on External Auditor

PriceWaterhouseCoopers (PwC) was appointed as the Company's external auditor for the year 2023 by DI

Shareholders in the Annual General Assembly Meeting held on 26th April 2023.

PwC is a network of firms in 151 countries with over 364,000 people providing assurance, advisory and tax services.

Established in the Middle East over 40 years, PwC has 23 offices across 12 countries in the region with around 8,000 people.

(b) Professional fees of the External Auditor for 2023 were as follows:

Name of Auditing Firm	PricewaterhouseCoopers (PwC)
Name of Audit Partner	Mr. Mohamed Saad Kadiri
Number of years served as an External Auditor for the Company	6 (six) years
Number of years served as an Audit Partner for the Company	3 (three) years
Total fees for auditing for 2023 (in AED)	AED 604,200.
The details and nature of **other services provided by the company auditor** (if any), and in case there are no other services, this shall be expressly stated	Other services relate to reporting required by SCA on unclaimed dividends
The fees and costs of the special services other than the auditing of the financial statements in 2023 (in AED), if any, and in case there are no other fees, this shall be expressly stated	AED 29,890.
A statement of the other services performed by an **external auditor other than** the Company's auditor in 2023 (if any), and in case there is no another auditor, this shall be expressly stated	**Name of Auditor**: KPMG **Nature of Services provided:** ERP transformation and change management - AED 1,017,900.

Additionally, PwC have been appointed as External Auditors by DI's subsidiaries for which fees have been agreed separately by the relevant subsidiaries, amounting to AED 2,622,440.

(c) External Auditors' opinion

The External Auditor has not qualified its opinion on DI's 2023 interim or annual consolidated financial statements.

7- Internal Controls System

a) The Board of Directors acknowledges that it has overall responsibility for ensuring the effectiveness of the internal control system. The Board of Directors receives reports quarterly from the Audit Committee on developments regarding the Group Internal Audit & Compliance functions and receives reports from Risk Committee on development regarding Risk Management. Based upon these reports and other feedback, the Audit Committee, the Risk Committee and Board direct the Executive Management to take appropriate action to result in effective and efficient operations, accurate financial reporting and compliance with laws and regulations.

b) The Chief Internal Audit Officer is Mr. Saderuddin Panakkat, a Chartered Accountant and an MBA holder, appointed on 3rd October 2005. He reports to the Audit Committee.

c) The Compliance Officer was Mr. Mohamed Alaa Yakout El Sahwi, a Certified Management Accountant, who was appointed as Compliance Manager from 6th September 2015 until 23rd June 2023. Mr. Ali Hussain Kurabadwala, a Chartered Accountant, a Certified Public Accountant and a Certified Internal Auditor has been appointed as Head of Risk and Compliance on 1st January 2024.

d) The Board is pleased to confirm to its stakeholders that in line with Article (68) of the Authority Chairman Decision No. (3/Chairman) of 2020 Concerning Approval of Joint Stock Companies Governance Guide, the Board has conducted its annual review of the efficiency of the Internal Control System and concluded that no material internal control breaches were recorded in 2023 requiring disclosure in a Report or to the Market.

e) Number of Reports – 5 (five) periodic reports were issued by Internal Audit Department to the Audit Committee during 2023.

8- Violations

To the best of knowledge of the Board and the Executive Management, **No Material violations were committed** during 2023 and DI is compliant with the Authority Chairman Decision No. (3/Chairman) of 2020 Concerning Approval of Joint Stock Companies Governance Guide.

9- Contribution towards Society and Protection of the Environment

During 2023, Dubai Investments contributed a total of approximately AED 1.66 million in more than 35 activities and initiatives and supported various local and regional community initiatives.

Benefiting the Community

- Supported a child suffering from neuro disorder with wheelchair.
- Supported a needy kidney failure patient with medical treatment.
- Supported treatment of children suffering with cancer through Cancer Centre of Lebanon.
- Supported treatment of breast cancer for a patient through Advanced Radiology Centre.
- Supported Awladouna Centre with speech therapy sponsorship.
- Supported research and treatment equipment procurement at UAE Genetic Diseases Association.

Protecting the Environment

- Dubai Investments Green Run focused on fitness, health and environment awareness saw participation of almost 3000 people.
- Hosted an indoor vertical farm which promoted local harvesting in unused spaces with micro climate facilitation and water recirculation to show a sustainable initiative to employees.
- Marked Earth Hour 2023 and encouraged employees to participate in the global campaign by switching off non-essential lights and appliances for one hour.
- Marked Earth Day 2023 under the theme 'Invest in Our Planet'.
- Marked World Environment Day 2023 by creating awareness on plastic pollution and distributing planting kits.
- Supported 'Clean UAE 2023', a clean-up drive across all seven emirates and collected 50,650 kgs of waste with the help of 68,017 participants covering 36.5 sq kms.
- Planted 100 saplings of Ghaf trees in Dubai Investments Park area with Goumbook.
- Installed Electric Vehicle chargers in the Headquarter building to encourage sustainable transportation and use of clean energy.
- Training for DI Sustainability Champions was organized by Emirates Environment Group on topics like SDGs, production and consumption habits, its impact on environment, pollution and overall climate.
- Reiterated commitment to sustainability and climate action by participation in COP28 as a climate support sponsor.

Preserving UAE's Heritage and Culture

- Celebrated UAE Flag Day 2023 with flag hoisting, playing the national anthem and taking part in flag making activity.
- Dubai Investments employees celebrated National Day with various cultural activities.

Ramadan Initiatives

- Distributed iftar meals in collaboration with RTA to taxi, bus and tram drivers.
- Sponsored ' Smile on the Face' campaign which distributed iftar meals and toiletries to 2000 blue collared workers across labour camps in Dubai.
- Supported Ramadan initiatives of Beit Al Khair association's Ramadan tents and iftar meal distributions.
- Supported the 1 billion meal initiative of H.H Sheikh Mohammed bin Rashid Al Maktoum to provide food aid to vulnerable communities in 50 countries outside UAE.
- Supported refugee and needy children through Sharjah Big Heart Foundation's Eid clothes shopping campaign.

Employee Wellness

- Organized health checkup campaign.
- Organized webinars on holistic nutrition for diabetes and hypertension, Qigong and desktop yoga.
- Promoted Emiratization by providing learning and development opportunities for Emirati employees.

Social Awareness Campaigns

- Celebrated International Women's Day 2023 with a workshop for female employees with emphasis on commitment to gender diversity and inclusion.
- Organized Pink Day as part of Breast Cancer Awareness month, including talk by specialist doctor.
- Organized fitness initiative for employees as part of the 30x30 fitness month in which more than 100 employees participated with total of 27 million steps taken as part of this activity.
- Sponsored educational shows in primary schools to spread Down Syndrome awareness.
- Sponsored Dubai Autism Centre's awareness campaign.

Supporting Youth Development

- Launched second edition of year-long Youth Leadership program for school children aged 15-17 to cultivate leadership skills in young adults.
- Sponsored needy students from low income families from Al Ansar School and Abu Obaida Bin Aljara Private School.
- Sponsored a student from MyMaximus centre for people of determination which provides vocational training to special needs youth.
- Sponsored education of a student of determination at Rashid Centre.
- Sponsored education for a child of determination at Al Noor Centre.
- Sponsored education of a student from Emirates Down Syndrome Association.
- Participated in RUYA careers fair to recruit local young talent.

10- General Information

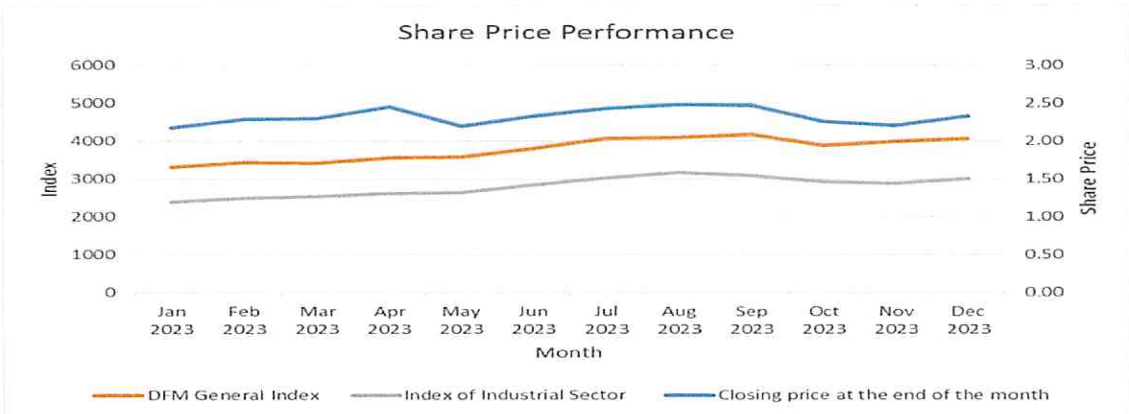
(a) Share Price Movement

The Company's (Highest, Lowest and Closing) Share Price at the end of each month for the fiscal year ending as of 31st December 2023 is given in the table below:

Month	Highest price during the month	Lowest price during the month	Closing price at the end of the month
January	2.25	2.14	2.17
February	2.35	2.16	2.29
March	2.36	2.12	2.30
April	2.47	2.32	2.45
May	2.47	2.17	2.20
June	2.33	2.17	2.33
July	2.56	2.32	2.43
August	2.51	2.41	2.48
September	2.55	2.33	2.47
October	2.53	2.15	2.26
November	2.36	2.21	2.21
December	2.35	2.18	2.33

(b) Comparative Share Price Performance

The graph depicted below indicates the performance of the Company Closing Share Price for 2023 against the DFM General Index and the Index of Industrial Sector for 2023.



(c) Statement of Shareholders' Nationality

As on 31st December 2023, 4,252,019,585 shares were held by 15,410 shareholders. The shareholder mix is depicted in the table below.

Classification	Percentage of Ownership				
	Individuals	Companies	Governments & Institutions	Banks	Total %
Local	52.01%	18.67%	18.40%	0.41%	**89.49%**
Arab	2.82%	0.44%	0.15%	0.33%	**3.74%**
Foreign	0.79%	5.93%	0.00%	0.05%	**6.77%**
Total	**55.62%**	**25.04%**	**18.55%**	**0.79%**	**100.00%**

(d) Top Shareholders

Shareholders who own 5% or more as of 31st December 2023 are as follows:

Sr. No.	Name	Number of owned shares	Percentage of the owned shares from the Company's capital
1	Investment Corporation of Dubai	490,615,372	11.54%
2	Mr. Salem Abdulla Salem Al Hosani	269,541,158	6.34%
3	Al Fardan Real Estate	260,000,000	6.11%
4	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	216,605,337	5.09%

(e) Shareholding distribution

The distribution of shareholders by size of shareholding as of 31st December 2023, is as follows:

Sr. No.	Ownership of shares (number of shares)	Number of shareholders	Number of owned shares	Percentage of the shares held of the Company's capital
1	Less Than 50,000	11,735	194,837,889	4.58%
2	Between 50,000 and 500,000	3,140	419,995,289	9.88%
3	Between 500,000 and 5,000,000	446	667,933,016	15.71%
4	Greater than 5,000,000	89	2,969,253,391	69.83%
	Total	**15,410**	**4,252,019,585**	**100.00%**

(f) Investor Relations

For the purposes of Article (51) of the Authority Chairman Decision No. (3/Chairman) of 2020 Concerning Approval of Joint Stock Companies Governance Guide, Mr. Mohammed Abdulaziz Alshamsi is the Investor Relations Manager.

Contact details:
Tel +9714 8122400 Mobile No: +97156 3877899
Fax +9714 8122480
P.O. Box: 28171 Dubai | UAE
Email: IR@dubaiinvestments.com
Further information in relation to Investor Relations is available in the Investor Relations section of the Company's website which can be accessed at http://www.dubaiinvestments.com/en/investor-relations/.

(g) Special Resolutions

Two (2) special resolutions were approved at the 27th Annual General Meeting held on 26th April 2023 by the shareholders and the Competent Authorities, as follows:

(g-1) Articles of Association:

To consider and approve the amendments to certain Articles of Association of the Company, Article (19/a) for increasing the number of the Board of Directors from 7 (seven) to 9 (nine) members and also Article Nos. 1 & 41, in compliance with the UAE Federal Decree Law No. (32) of 2021 of the Commercial Companies, (noting that these amendments were subject to the approval of the Competent Authorities).

(g-2) For Shareholders approval as per Article (67) of the Company's Article of Association:

The Shareholders were requested to authorize the Board of Directors to approve voluntary contributions for the year 2023, not exceeding (0.5%) of net profits of the Company during the previous financial year, at the Board's discretion.

(h) Board Secretary

Mr. Kurian Chacko was appointed as Group Company Secretary at Dubai Investments PJSC on 22nd March 2009. He holds a B.Sc., Masters in Law (LLM) and completed ACS Intermediate. He has over 42 years' of Corporate Affairs experience.

(i) Significant Events

Divestments	➢ Al Mal Capital PSC exited the real estate investment in Poinsettia Plaza in Ventura, California in a US$ 66.0 million deal.
Growth and Expansion	➢ Dubai Investments acquired 16.93% stake in Monument Bank, a UK based Digital Bank. ➢ Dubai Investments partners with E20 for Agricultural Investment in Angola. ➢ Dubai Investments and Millennium Hotels & Resorts inked deal to open a 300-room hotel on Danah Bay, Ras Al Khaimah. ➢ Dubai Investments inked four MoUs (Memorandum of Understanding) as part of MoIAT's. (Ministry of Industry and Advanced Technology) Industrial Strategy. ➢ Dubai Investments announced Danah Bay's Phase 1 in Ras Al Khaimah as fully sold out. ➢ Dubai Investments announced the introduction of Breakwater Villas and exclusive Landside Villas within the Danah Bay project in Ras Al Khaimah. ➢ Al Mal Capital REIT added second Educational Asset in its portfolio. ➢ Al Taif Business Center in Fujairah inaugurated and opened for business. ➢ Globalpharma marked 25 years with more than 90 products across lifestyle disease segments. ➢ Emirates Float Glass became the exclusive Producer of Double Silver Coated Glass in the UAE. ➢ Emirates Building Systems won Major Airport Project worth more than AED 34 million in Abu Dhabi. ➢ Emirates Building Systems won new projects and expanded services in India.
Recognition and Awards	➢ Dubai Investments recognized by Forbes Middle East as one of 'The Middle East's Top 100 Listed Companies in 2023. ➢ Dubai Investments confirmed one among the 4 out of the 6 investment companies helping the UAE dominate The Forbes List of The Best Investment Companies in the Middle East for the year 2023. ➢ Dubai Investments ranked among the top 10 in the Forbes Middle East's Sustainable 100 Investment Companies. ➢ Dubai Investments Vice Chairman and CEO, Khalid Bin Kalban featured among the list of Sustainability Leaders under the Investments category of Forbes Middle East. ➢ EMICOOL recognized for its sustainable innovative solutions with Asian Power Awards. ➢ EMICOOL honored with Platinum Award at Global ESG Awards for Notable Water Conservation Initiatives. ➢ Emirates Float Glass became UAE's only float glass manufacturer to secure the prestigious Golden Listing and ICV (In-Country Value) certification through the Abu Dhabi Local Content Program. ➢ Emirates Glass achieved ICV (In-Country Value) certification. ➢ Emirates Glass recognized as the Best High-End Architectural Glass Manufacturers for 2023 by UAE Business Awards by MEA Markets. ➢ Emirates Glass recognized among the Top 50 Companies to watch for in 2023 by CIO Bulletin. ➢ Emicool won two ESG Business Awards for water efficiency, commitment to sustainability and climate education.

(j) A statement of the transactions carried out by the Company with Related Parties during the year 2023 that are equal to 5% or more of the Company capital.

There were no transactions carried out by the Company with Related Parties during the year 2023 that are equal to 5% or more of the Company Capital. Please refer to item (4.7) above.

(k) Emiratization

The Emiratization percentage in the Company in the years ended **2021, 2022** and **2023** was:

2021	**15.8%**
2022	**21.05%**
2023	**25%**

(l) Innovative Products and Initiatives

- Dubai Investments completed the successful implementation of the digital transformation program upscaling company's operations and automating manual processes.
- Dubai Investments participated at the Make it in the Emirates Forum highlighting the Group's local production capabilities.
- Globalpharma announced the launch of two new medicines.
- Globalpharma installed a state-of-the-art Effluent Treatment Plant(ETP) to recycle wastewater for landscaping.
- Emirates Glass implemented a water recycling system utilizing non-hazardous wastewater for irrigation purposes.
- Emirates Glass has joined the Clean Energy Business Council to contribute to a development of a cleaner future.
- Emirates Float Glass installed new chiller plants to save power and reduce carbon footprint.
- Emirates Float Glass replaced diesel-powered forklifts for state-of-the-art battery-operated models.
- Emirates Float Glass replaced potable water with blow-down water from its cooling tower system reducing freshwater consumption.
- Emirates Float Glass became the producer of tinted glass in grey, bronze, and green, becoming the only manufacturer of this type of glass in the region.

Signed:

Mr. Abdulrahman Ghanem A. Al Mutaiwee
Chairman of the Board of Directors
Date: 7th March 2024

Mr. Khaled Mohamed Ali Al Kamda
Chairman – Audit Committee
Date: 7th March 2024

Ms. Hind Abdulrahman Qassim Alali
Chairperson – Nomination & Rewards Committee
Date: 7th March 2024

Mr. Saderuddin Panakkat
Chief Internal Audit Officer
Date: 7th March 2024

5
دبي للإستثمار
Dubai Investments
P.O. BOX 28171 DUBAI UAE

Seal of the Company

Dubai Investments

SUSTAINABILITY REPORT 2023

Dubai Investments' Path to Sustainable Prosperity

Welcome to Dubai Investments PJSC's 2023 Sustainability Report, a testament to our commitment to environmental stewardship, social responsibility, and good governance. This report encapsulates our journey toward sustainable development.

The report captures our Environmental, Social, and Governance (ESG) progress, as we dynamically align them with key issues and include them in our strategic focus areas. We continue to focus on integrity, economic impact, responsible operations, natural resources, workforce development, stakeholder relationships, and community engagement. As part of our ongoing commitment, the report covers the calendar year from January 1,2023 to December 31,2023.

Our sustainability initiatives extend across eight subsidiary companies, each prominent within sectors such as real estate, financial services, manufacturing, and pharmaceuticals. Embracing best practices, the report highlights case studies and examples of exemplary performance across them all.

The Report is prepared with reference to the Global Reporting Initiative (GRI) Standards and Dubai Financial Market (DFM) ESG Reporting Guidance. The Content Index for each of the reporting frameworks are included in the Appendices for transparency as well as accessibility. Our commitment extends beyond compliance, and we proudly align our disclosure with the United Nations' Sustainable Development Goals (SDGs). As responsible corporate citizens, we recognize our role in driving positive change. Thus, our sustainability efforts are woven together with the United Arab Emirates' national plan, 'We the UAE 2031,' aimed at establishing UAE as a knowledge-based, sustainable, and innovation-centric global hub.

In this report, we share our future commitments, strategy updates, and management initiatives, setting the stage for continued ESG integration. Our current reporting scope covers the following Dubai Investments subsidiaries':

- Al Mal Capital
- Dubai Investments Park
- Dubai Investments Real Estate Company
- Emirates Building Systems
- Emirates District Cooling Company (Emicool)
- Emirates Float Glass
- Emirates Glass
- Globalpharma.

This report is more than a compilation of achievements; it's a testament to our dedication to sustainability, accountability, and a shared vision for a brighter future. Dubai Investments PJSC remains committed in shaping a sustainable tomorrow.

We welcome all feedback or questions related to this report. You can connect with us at: X (Twitter) @dxbinvestments Facebook Dubaiinvestmentcompany Instagram dubaiinvestments.dxb LinkedIn Dubai Investments PJSC phone +971 4 8122400 email info@dubaiinvestments.com	The report can also be consulted online via www.dubaiinvestments.com

Tomorrow Starts Today – Foreword from our CEO.

Dear Stakeholders,

As we unveil the Sustainability Report for 2023, themed **"Sustainable Innovation: Dubai Investment's Path to Sustainable Prosperity,"** I am pleased to share the significant strides we have taken in this transformative direction.

Guided by a steadfast corporate ethicality as well as firm personal morality, we are dedicated to empowering communities and catalysing growth across diverse sectors of the economy. Our vision embraces a future where economic success harmonizes with sustainable growth and shared prosperity, reflecting the dynamic and modern ethos of the UAE.

In today's business environment, we have once again proven ourselves as a reliable growth engine across pivotal service sectors. This encompasses financial investments, real estate, manufacturing, healthcare, and education. With a robust company plan, a sound financial standing, and a dedicated management team, we have solidified our position to maintain the momentum further ahead.

Beyond financial considerations, our commitment extends to directing investments as proactive contributions to a sustainable and prosperous future for all. "Sustainable Innovation," encapsulates our belief in the coexistence of urban development and overall well-being. Sustainability, for us, is a responsibility, evident in our strategic initiatives that aim to redefine the investment landscape. The annual Sustainability Report serves as a tangible representation of this commitment, outlining the significant strides made in the past year.

Committed to forging enduring partnerships and sustaining long-term business growth, we maintain elevated governance standards and fulfil our social responsibilities. Recognizing the diverse groups of stakeholders affected by our operations, we actively engage with them to address their concerns and retain their trust. This commitment lies at the core of our mission. To ensure that we achieve it, we've formulated comprehensive sustainability policies, programs, and objectives, which adhere to both national and international standards. This report delineates our key focus areas based on key global initiatives, including the Sustainable Development Goals (SDGs), Global Reporting Initiative (GRI), UAE's Vision 2031, and DFM guidelines for ESG, elucidating the measures implemented to address these crucial issues.

Acknowledging our role in fostering collective action, we understand the importance of active participation in driving the global sustainability agenda. This year we showcased the same at COP28 when the world came together in UAE to discuss meaningful and practical solutions to the most pressing issues of our times. We served as a Climate Support Sponsor, actively participated, and engaged with sustainability leaders, reaffirming our commitment to global sustainability initiatives.

In conclusion, I express gratitude to all stakeholders for their unwavering confidence. We, at Dubai Investments, remain steadfast in upholding the highest governance standards, conducting responsible business practices, and providing a secure and fulfilling workplace. Together, let us continue shaping a future where sustainability is not just a concept but an intrinsic way of life.

Sincerely,

Khalid Bin Kalban

Vice Chairman & CEO of Dubai Investments PJSC

About Dubai Investments

Company's Vision & Mission

Vision

Our vision is to provide impeccable quality by delivering superior management performance and top of the line services to our investors. An integral part of this vision is delivering superior returns to our shareholders, consistent with our pre-defined risk profile and comparable to other best-in-class corporations. We strive to increase the value of our business while maintaining high ethical values and a commitment to the development of society through integrity and fair business practices.

Mission

Our mission is to add value and expand our investment portfolio through sound corporate citizenship, financial engineering, network of relationships and financial resources.

Values

Ethics, Integrity, Accountability & Ownership, Work Excellence, Human Capital Asset, and Innovation.

Company's portfolio

We stand as a distinguished investment entity with a profound involvement in real estate development for both sale and leasing, manufacturing, and diversified product across various sectors. Our expansive portfolio further extends into asset management, financial investments, healthcare, and education. With nearly three decades of operational expertise in the region, our enduring presence has played a pivotal role in advancing the overall economic prosperity of the UAE.

Subsidiaries Covered by This Report

Our report showcases our performances alongside those of our eight subsidiaries, as illustrated. These reporting subsidiaries stand as robust examples of the significant strides we make across various sectors within the UAE economy.

REAL ESTATE **STEEL** **FINANCIAL INVESTMENTS** **METAL** **DISTRICT COOLING**

GLASS **DIRECT INVESTMENTS**

Al Mal Capital Al Mal Capital is a diversified, multi-line investment institution providing a wide range of investment products and services for institutions, banks, and high net worth individuals. Dubai Investments PJSC holds 70.18% stake in Al Mal Capital. The Company's services include Investment Banking, Brokerage and Asset Management.	Dubai Investments Park Dubai Investments Park, a wholly owned subsidiary of Dubai Investments PJSC, is a unique, self-contained mixed-use master community development spread over three synergetic zones: industrial, commercial, and residential. The 2300-hectare development is designed to be a 'City Within a City' offering world-class infrastructure and exceptional facilities and services for the perfect work-life balance.
DIR Dubai Investment Real estate Dubai Investments Real Estate company is a wholly owned subsidiary. The Company has established its reputation through a distinctive portfolio of real estate projects with an impressive range of mixed-use developments, residential buildings, commercial projects including warehouses and land banks, across key strategic locations, providing an expansive portfolio to suit varied requirements.	EBS Emirates Building Systems Co. LLC Emirates Building Systems (EBS), a wholly owned subsidiary of Dubai Investments PJSC, is one of the leading manufacturers of steel structures in the Middle East, along with being the market leader in the UAE with significant presence across the Middle East and Africa. Over the last 25+ years, EBS is involved with design, manufacturing and erection of premium quality steel structures across several world-class and prestigious projects across the region.
Emicool Emirates District Cooling Company (EMICOOL), the leading district cooling service provider in the UAE, is a joint venture between Dubai Investments PJSC and Actis - a leading global investor in sustainable infrastructure. Emicool provides district cooling through its efficient network providing services to different locations across the UAE.	Emirates Float Glass Emirates Float Glass, a wholly owned subsidiary of Dubai Investments established in 2009, is the first state-of-the-art integrated float glass facility in the UAE. The hi-tech manufacturing unit holds a production capacity of over 190,000 tons of glass products per year and supplies top-quality float glass for architectural and automotive industry applications.
Emirates Glass Emirates Glass, a wholly owned subsidiary of Dubai Investments, is one of the largest processors of flat architectural glass in the Middle East. Over the last 25+ years, Emirates Glass through its high performance, energy saving, reflective coated glass, and a wide range of sputter-coated, solar-control and thermal insulation glass products, have been serving a wide range of projects across the region.	globalpharma Globalpharma, a wholly owned subsidiary of Dubai Investments, is among UAE's leading pharmaceutical company and a market leader in key generic pharma segments with a strong regional presence. Over the last 25 years, the Company has evolved and enhanced capabilities. The Company manufactures and distributes products across almost all lifestyle disease segments with an annual production capacity of more than 770 million tablets, 300 million capsules, 3 million litres of dry suspension and approximately 280,000 units of herbal medicines.

Business Highlights 2023

A mission of enabling responsible growth and progress

The Group remains optimistic amidst the evolving macro-economic environment. The UAE's resilient and robust economy, buoyed by ongoing government reforms, positions us favourably. Capitalizing on prevailing market conditions, we anticipate further expansion within the MENA region and beyond.

Our strategic focus centres on maintaining growth through diversified income streams, ensuring high operational efficiency, fortifying capital reserves to absorb potential losses, and unwavering compliance with all regulatory standards. This approach positions us to adapt seamlessly to any adverse operating conditions.

In alignment with the UAE's emphasis on infrastructure and logistics investments, Dubai Investments PJSC has undertaken notable projects. Emirates Building Systems, a key player in our portfolio, secured a significant airport project valued at more than AED 34 million in Abu Dhabi. Additionally, the Jafza Logistics Park, a project allotted to Emirates Building System, adds to the development of pre-engineered warehouses with mezzanines and offices in Dubai. Meanwhile, Danah Bay introduces the first-ever Breakwater Villas and exclusive Landside Villas in Ras Al Khaimah, a freehold project epitomizing coastal luxury living, developed by Dubai Investments.

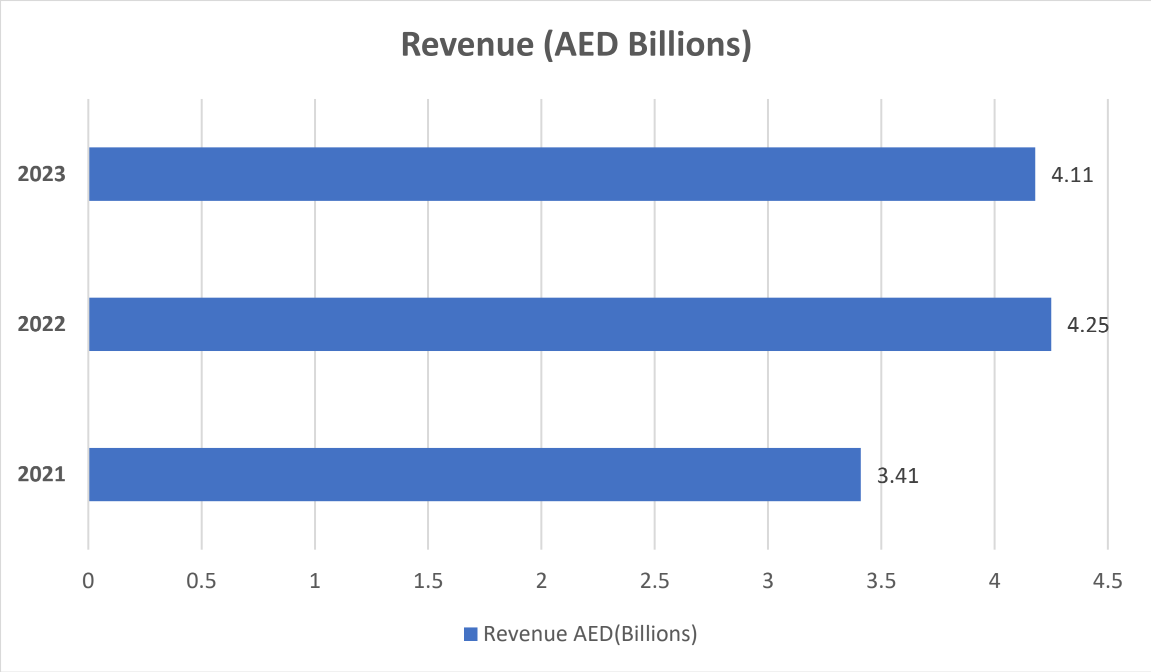
Beyond our strategic ventures, the Group has expanded its portfolio through strategic acquisitions. This includes acquiring an additional stake in the UK's Monument Bank and the expansion of the K-12 educational asset portfolio through the acquisition by Al Mal Capital REIT.

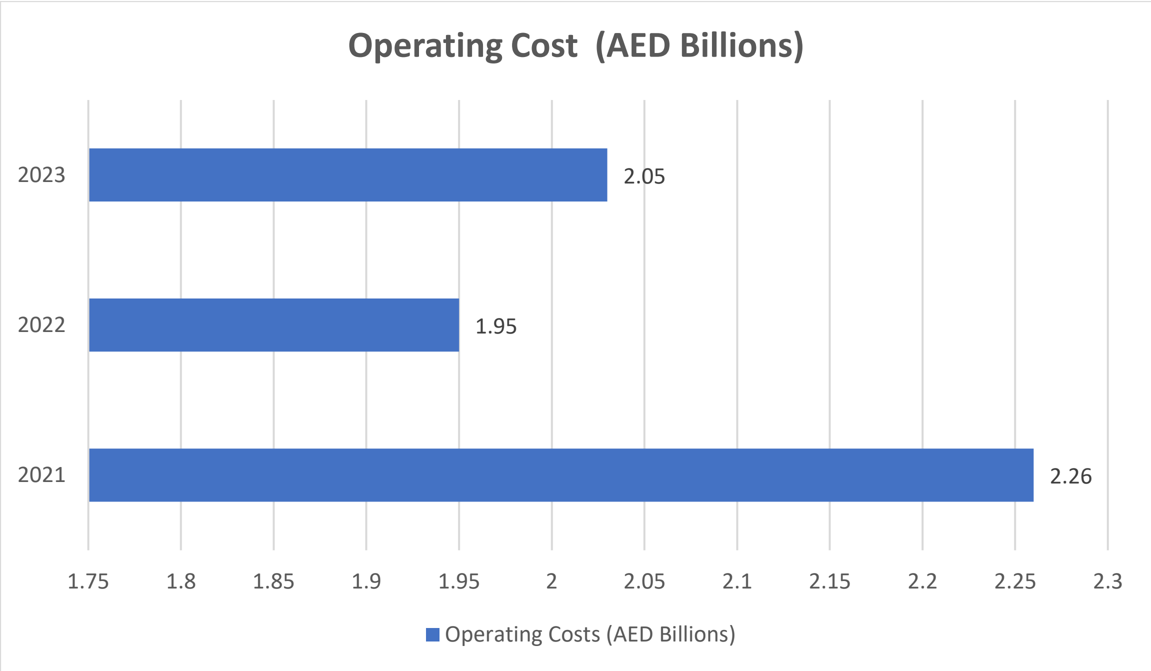
Demonstrating our commitment to sustainability and global engagement, Dubai Investments PJSC actively participated in significant forums and conferences. Noteworthy instances include showcasing sustainable products and projects at COP28, partnering with E20 for agricultural investment in Angola, and inking four MOUs as part of the Ministry of Industry and Advanced Technology's Breakthrough Industrial Strategy.

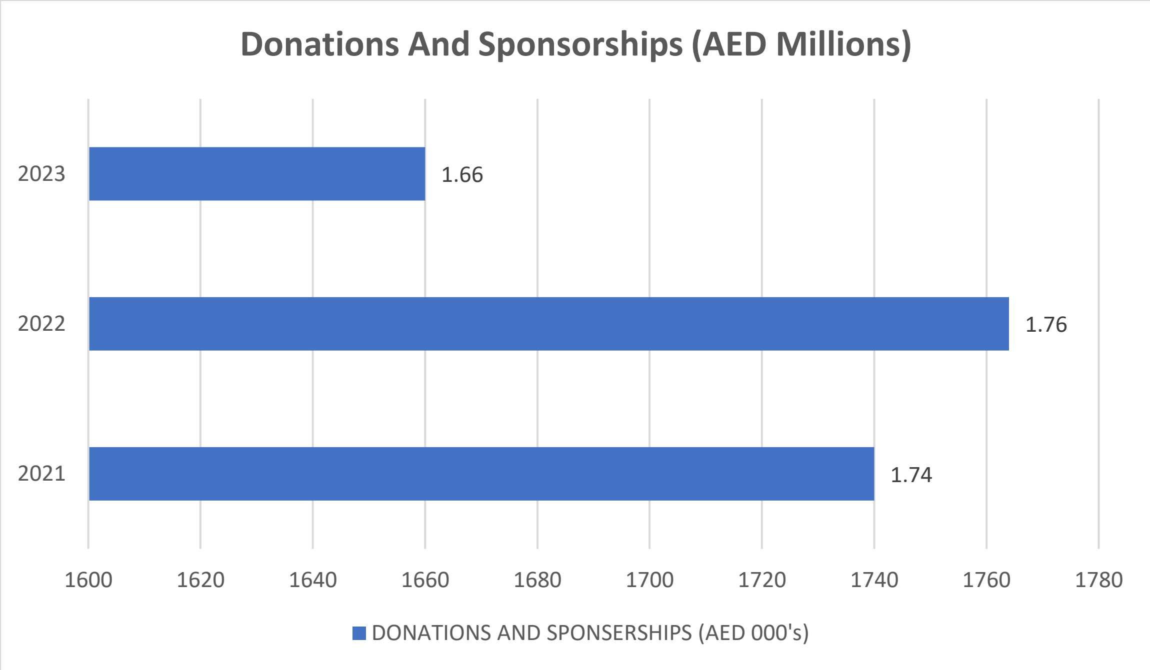
In essence, our diverse and strategic initiatives underscore Dubai Investments PJSC's dedication to sustainable growth, resilience, and global impact.

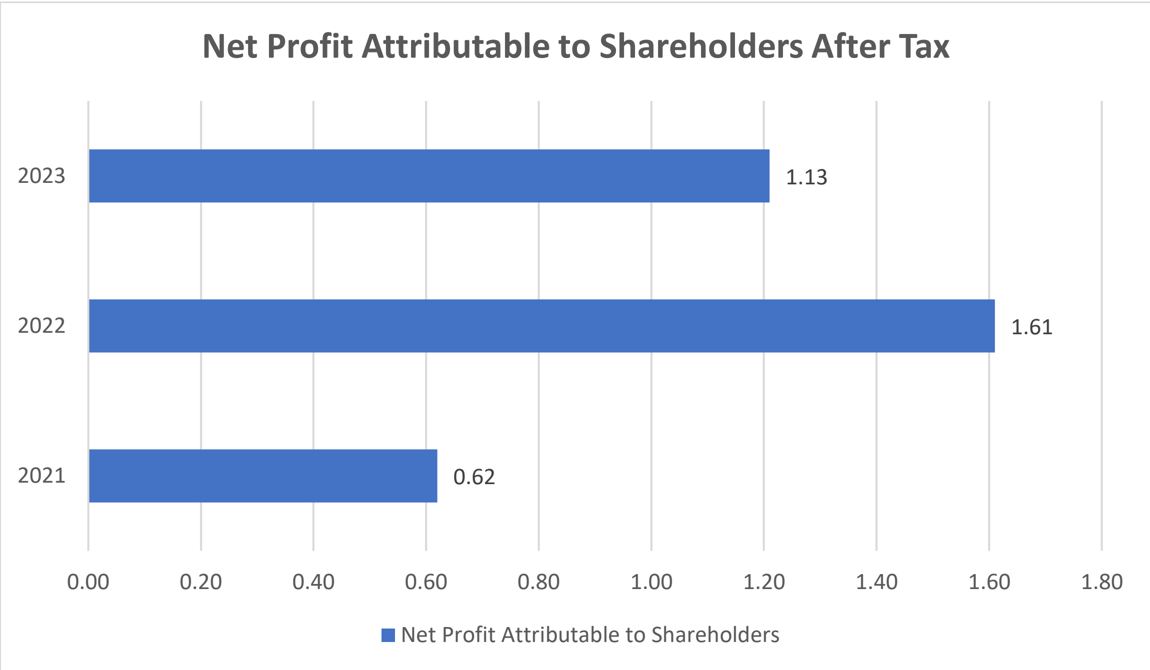
Economic Performance

Key Financial Metrics (2023)	
REVENUES **AED 4.11 bn**	**OPERATING COSTS** **AED 2.05 bn**
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS **AED 1.13 bn**	**DONATIONS AND SPONSORSHIPS** **AED 1.66 mn**
DONATIONS AND SPONSORSHIPS AS % OF AFTER TAX PROFIT 2023: 0.15%	


Revenue (AED Billions)
2023
2022
2021
4.11
4.25
3.41
0
0.5
1
1.5
2
2.5
3
3.5
4
4.5
Revenue AED(Billions)


Operating Cost (AED Billions)
2023
2022
2021
2.05
1.95
2.26
1.75
1.8
1.85
1.9
1.95
2
2.05
2.1
2.15
2.2
2.25
2.3
Operating Costs (AED Billions)





Awards and Recognition

***EMICOOL** received the Bronze District Energy Space 2022 Award from IDEA for extensive district cooling services beyond North America.*

EMIRATES GLASS *has been recognized as the recipient of the prestigious Best High-End Architectural Glass Manufacturers award for the year 2023 by MEA MARKETS Magazine.*

EMICOOL *was honoured with Platinum Award at Global ESG Awards for Notable Water Conservation*

EMICOOL *was awarded with Dubai Chamber's 2020 Corporate Social Responsibility (CSR) Label highlighting the company's commitment to responsible and sustainable business practices across 'Workplace, Marketplace, Community, and Environment'.*

EMICOOL *was acknowledged by Asian Power Awards 2022 for sustainable and innovative solutions.*

DUBAI INVESTMENTS *ranked among the top 10 in the Forbes Middle East sustainable 100 Investment companies.*

EMIRATES GLASS *received the prestigious ICV (In-Country Value) Certification marking a significant accomplishment, reflecting the unwavering commitment to the UAE's economic growth, sustainable development, and community welfare*

EMIRATES FLOAT GLASS *achieved a significant milestone as the UAE's only float glass manufacturer by securing the prestigious Golden Listing and ICV (In-Country Value) certification through the Abu Dhabi Local Content Program*

RECOGNITIONS

DUBAI INVESTMENTS *showcases its powerhouse status at "Make it in the Emirates" Forum.*

EMIRATES FLOAT GLASS *secured Golden Listing as Sole UAE Float Glass Manufacturer.*

EMICOOL *was honoured with a certificate from MyMaximus Centre for people of determination, for acknowledging Emicool's consistent support and advocacy for people of determination.*

EMICOOL *gets awarded with the "Great place to work" Certification.*

EMIRATES FLOAT GLASS *empowers UAE's solar potential as an Exclusive Producer of Double Silver Coated Glass*

GLOBALPHARMA *was recognized as one of the 'Best Places To Work' in the UAE and KSA for 2023, upholding high HR and workplace standards*

Forbes Middle East *featured Dubai Investments Vice Chairman and CEO, Khalid Bin Kalban as one of the Sustainability Leaders for actively working to enhance environmental sustainability in the MENA region.*

Sustainability at Dubai Investments

Guided by our fundamental principles, our objective is to provide unparalleled solutions spanning the entirety of our corporate ecosystem. We aspire to deliver excellence, embodying our core values in every facet of our operations, ensuring that our clients receive best-in-class services and offerings across the board.

Our Focus Areas:

- Overview of Sustainability Strategy
- Stakeholder Engagement
- Materiality Assessment

2023 ESG Highlights

12% Reduction In Scope 2 Emissions	25% Of Total Energy Consumed Through Alternate Sources	10 Material Topics Identified
1,752,517 m^3 Of Water Treated	9,173 Total Training Hours Delivered	35 Female Representation Across Senior and Middle Management
0 Accidents	1,277 Local Suppliers Engaged In 2023	20 CSR Beneficiary Organisations

Overview of Sustainability Strategy

As we navigate the dynamic business landscapes at Dubai Investments, our commitment lies on our strategic focus areas, forming the foundation of our success. These meticulously identified and prioritized domains serve as the perspective guiding our decisions and resource allocations. Through a thorough analysis of market trends, risk factors, and opportunities, we've refined our focus on key areas that not only align with our long-term vision but position us to thrive in the ever-evolving economic environment.

Strategic Focus Areas
Supporting our communities
A Company with integrity
Valuable Relationships
Amplifying Economic Impacts
Strong Workforce
Operating Responsibly
Protecting Natural Resources

Most businesses recognize the imperative of being socially conscious and responsible in today's landscape. Through the incorporation of ESG (Environmental, Social, and Governance) practices, companies can proactively address risks linked to environmental and social challenges, thereby fortifying their long-term sustainability, and minimizing adverse effects.

At Dubai Investments, we firmly uphold the belief that ESG consciousness is imperative in building a sustainable business. We are committed to inclusive practices that incorporate a broader community into our vision, fostering collaborative value creation. Simultaneously, we prioritize social impact, engage with our stakeholders, uphold ethical governance, and unlock opportunities in both investment and market opportunities. This philosophy is brilliantly encapsulated in our purpose statement: to amplify human potential and pave the way for the next wave of opportunities for individuals, businesses, and communities. At Dubai Investments, we believe ESG is not merely a responsibility but a strategic opportunity to contribute to a more sustainable, inclusive, and prosperous society.

Sustainability Theme	**Sustainability Objectives**
General	1. Develop the framework for Sustainability at Dubai Investments, including establishing the sustainability governance model.
	2. Conduct a materiality assessment to inform the next iteration of the Sustainability Strategy.
	3. Align, learn from, and contribute to global initiatives that enhance Dubai Investments capabilities, confidence in the approach, as well as the stature as a responsible investor and asset manager.
A Company with Integrity	1.Implement and reinforce a robust corporate governance framework and processes which are followed consistently across the Group.
	2.Ensure that business is conducted in an ethical manner.
	3.Implement digital solutions to monitor sustainability performance.
	4.Ensure that sustainability is integrated at a board level.
Valuable Relationships	1.Treat suppliers with fairness and respect.
	2.Integrate sustainability criteria into procurement policies to promote sustainable practices amongst suppliers.

	3.Ensure that large contractors providing long term services to Dubai Investments (e.g. construction project contractors) treat their employees fairly and in accordance with UAE Labour Law.
	4.Maintain a responsible relationship with customers.
	5.Develop responsible products which will help customers be more sustainable.
Operating Responsibly	1.Develop Health Safety and environment (HSE) Policy that's circulated Group wide.
	2.Promote health and wellness initiatives amongst employees and in the community.
	3.Ensure compliance to the UAE Labour Law with reference to the treatment of Dubai Investments Group employees. Seek best in class practices beyond the minimum regulations.
Protecting Natural Resources	1.Demonstrate commitment for tackling climate change.
	2.Develop an efficiency plan relating to the use of energy and water.
	3.Identify and mitigate the negative environmental impacts caused by the Group's activities.
Supporting Communities	1.Contribute to the development of vocational skills of young people in the community.
	2.Contribute to the development of the local economy by providing jobs and facilitating the growth of start-up businesses and small and medium sized enterprises.
	3.Be a socially responsible corporate citizen by investing in the community, donating to charitable causes, and providing employees with the opportunity to participate in corporate social responsibility initiatives.
Strong Workforce	1.Demonstrate commitment to improving female representation.
	2.Significantly improve female representation at all levels of operation, enhancing perspective, decision-making, and performance.
	3.Invest in the development of Workforce
Amplifying Economic Impacts	1.Optimise for growth by steering economic diversification towards lower-carbon sectors, and sectors with lower ESG risks and greater ESG-related opportunities.
	2.Measure, monitor and improve the overall ESG posture of Group portfolio companies.
	3.Initiate sustainability due diligence and reporting requirements for Investments.
	4.Increase Dubai Investments' capabilities to incorporate financially material ESG considerations in due-diligence analysis.

Stakeholder Engagement

Our paramount focus is on cultivating meaningful collaborations, fostering open communication, and nurturing trust with our stakeholders. Our commitment is rooted in our dedication to aligning strategies and promoting collaborative solutions for mutual success. We adapt to the evolving needs of our stakeholders by embracing transparency and change building trust in our relationships and fostering sustainable growth.

Our engagement practices emphasize ongoing dialogue with all our stakeholders to reassess, adapt, and address their emerging concerns. This iterative process ensures that our strategies remain aligned with evolving stakeholder needs and industry trends.

Modes Of Stakeholder Engagement

Ongoing Engagement: We recognize the importance of continual interaction with stakeholders. The ongoing engagement, both structured and informal, ensures a constant flow of insights. Dubai Investments engages with various stakeholders, including shareholders, investors, customers, employees, regulators, local communities, and suppliers/partners. The company's expansion of communication channels aids in understanding priorities and addressing sustainability risks and opportunities. This incorporation of expectations into our operations echoes our commitment to inclusivity and responsiveness.

Materiality Assessment and Focus: We aim to formalize stakeholder engagement in our materiality assessment. This step will ensure that stakeholder priorities and concerns are core drivers in identifying sustainability focus areas.

Drawing from **Stakeholder Map**, we have meticulously assessed the diverse needs and expectations of each stakeholder group. This comprehensive mapping guides our tailored approach to engage with and address the specific concerns of each stakeholder category.

STAKEHOLDER GROUP	IMPORTANCE TO DUBAI INVESTMENTS	EXPECTATIONS / TOPICS OF CONCERN / MATERIAL ISSUES	ENGAGEMENT METHOD
Shareholders and Investors	Our investors mostly guide our growth trajectory. Their confidence and assistance motivate us to pursue our goals, which enables us to develop, grow, and provide outstanding value. We put client interests first, working to build enduring wealth that strengthens the basis of our joint success while maximizing returns. Their trust fuels our dedication to quality and directs us toward shared prosperity.	1. Risk Management 2. Corporate Governance 3. Transparency and Reporting 4. Information Security/Cybersecurity & System Availability 5. Sustainable Finance 6. Financial Stability 7. Climate Change 8. Environmental Management	1. Annual General Meetings 2. Corporate Annual Report 3. Official news releases 4. Annual Corporate Governance Report 5. Investalk - quarterly newsletter 6. Investor Communication & Disclosure Policy
Customers	Our investment spans diverse sectors, all aimed at delivering sustainable products that resonate with our customers. From energy-efficient glass products to innovative green building solutions, our focus remains steadfast on providing environmentally conscious choices that cater to evolving consumer needs and keeping sustainability at the centre of what we offer, matching the values and interests of our clients.	1. Climate Change 2. Environmental Management 3. Health & Safety 4. Information Security/Cybersecurity and system availability	1. Customer service offices 2. Social media channels: Twitter, Facebook, Instagram, LinkedIn
Employees	Dubai Investments invests in professional growth through various initiatives, aiming to boost output and job satisfaction. We prioritize their well-being, fostering a safe, supportive, healthy work environment. Our workers are the foundation of our success, driving our group's	1. Transparency & Reporting 2. Talent Attraction and Retention 3. Environmental Management 4. Health & Safety 5. Corporate Governance 6. Risk Management	1. Employee Training and Development Program 2. Grievance Resolution Procedures 3. Health and Safety Policy

	advancement and fostering a vibrant corporate culture.	7. Information Security/Cyber Security and System Availability 8. Climate Change	4. Working Practices Policy
Regulators	The company is committed to ethical behaviour, valuing national and regulatory legal frameworks and governmental agencies. We believe in maintaining an ethical corporate climate and adhering to international best practices for corporate governance while maintaining industry standards and positively impacting the socioeconomic environment.	1. Transparency and Reporting 2. Corporate Governance 3. Risk Management 4. Information Security/Cybersecurity & System Availability 5. Sustainable Finance 6. Financial Stability 7. Talent Attraction and Retention 8. Health and Safety 9. Climate Change 10. Environmental management	1. Internal control system 2. External audits 3. Insider trading supervision committee 4. Corporate Annual Report 5. Face-to-face meetings with ministries and regulators 6. Partnerships and Collaborations 7. Compliance Unit
Local Communities	Our commitment to the community extends beyond business, addressing social and economic issues, empowering young people, and supporting environmental preservation and energy efficiency. We collaborate closely with local communities to improve their quality of life and ensure sustainable growth.	1. Climate Change 2. Environmental Management 3. Talent Attraction and Retention 4. Health and Safety 5. Corporate Governance 6. Risk Management 7. Sustainable Finance 8. Financial Stability	1. Health and educational campaigns 2. Employee volunteering initiatives 3. Donations to charitable organizations 4. Participation in cultural and national events 5. Sponsorships and internships for disadvantaged youth
Suppliers and partners	Dubai Investments values strong supply chain ties. We are committed to fostering trust with vendors and contractors, prioritizing efficiency, and striving for continual improvement. We strive to create lasting partnerships for innovation, reliability, and excellence through collaborative efforts.	1. Climate Change 2. Health And Safety 3. Environmental Management 4. Transparency And Reporting 5. Corporate Governance 6. Risk Management 7. Information Security/ Cybersecurity and System Availability	1. Supplier surveys for Feedback 2. Working Practices Policy

Materiality Assessment

We employ a robust two-dimensional strategy, incorporating surveys to engage internal stakeholders and gather diverse perspectives. This approach enables a comprehensive assessment and prioritization of significant economic, environmental, social, and governance impacts, upholding transparency, and accountability in sustainability reporting.

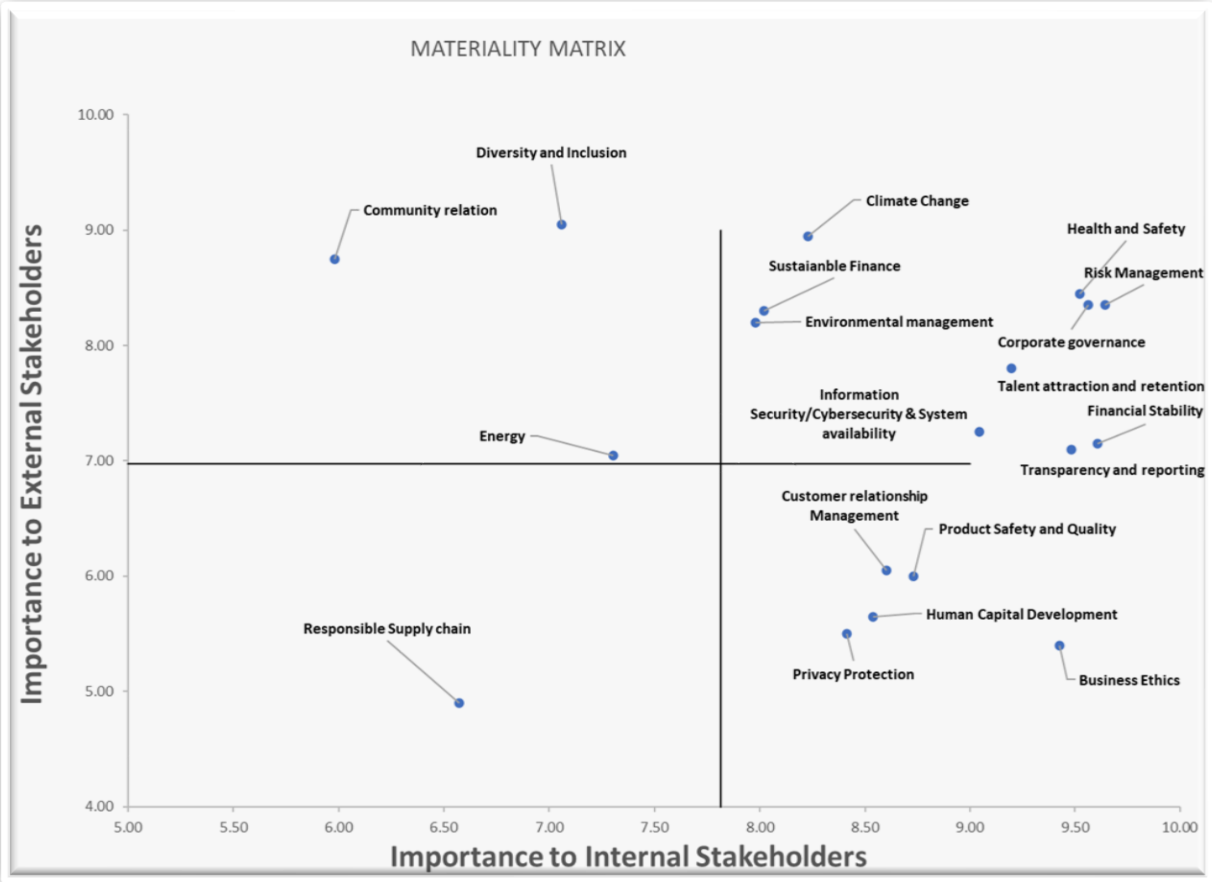
In our commitment to transparency, Dubai Investment adheres to reporting standards such as GRI, SASB, MSCI, and DJSI, aligning with the domestic frameworks of Dubai Financial Market (DFM) and UAE Vision document. We enhance stakeholder trust by identifying and benchmarking against peers across national and international landscapes, ensuring a robust materiality assessment.

Methodology

Step 1: Identification of Potential Material Topics Dubai Investment is dedicated to enhancing transparency and prioritizing key topics outlined in reporting standards like GRI, SASB, MSCI, and DJSI. Our efforts are closely attuned to the domestic frameworks set forth by Dubai Financial Market (DFM) and the UAE Vision document, reaffirming our commitment to comprehensive disclosure and accountability.
Step 2: Identification of Key Stakeholders Stakeholder identification at Dubai Investment involves secondary research, segmentation into internal and external stakeholders, and alignment with international and regional frameworks and standards.
Step 3: Stakeholder Engagement Engaging key internal stakeholders, including employees and suppliers, through surveys is integral to comprehend material ESG issues and their impact on the organisations. The survey is built in accordance with global standards and peer benchmarks, which ensures a comprehensive understanding of relevant material concerns for both internal and external stakeholders.
Step 4: Prioritization of material topics Prioritizing material topics involves assessment of both negative and positive impacts, ranking them according to their significance. The most substantial impacts are then prioritized for reporting purposes. Management conducts a thorough review of these selected impacts. Finally, a comprehensive report is compiled, utilizing pertinent disclosures and metrics from reputable standards and relevant Key Performance Indicators (KPIs) within Environmental, Social, and Governance (ESG) ratings to address material impacts effectively.

Environment	Social	Governance
• Climate Change • Environmental Management	• Talent Attraction and Retention • Health And Safety	• Transparency and Reporting • Corporate Governance • Risk Management • Information Security/Cyber Security And System Availability • Sustainable Finance • Financial Stability

Materiality Matrix



Sustainable Stewardship

Separator 2

Advancing sustainability necessitates transparent processes, and our commitment towards ensuring a transparent process extends across the entire value chain. We recognize that the journey towards sustainability demands the seamless integration of customer experience, innovation, data privacy, and cybersecurity. Through our dedication to forging robust partnerships, we aspire to shape a future that is vibrant, compassionate, and prosperous.

Our Focus Areas:

- Customer Experience
- Digitization and Innovation
- Supply Chain Management
- ESG Due Diligence
- Data Privacy and Cybersecurity

2023 ESG Highlights

AED 452.07 mn spent on procurement from local suppliers	22 additional new local suppliers engaged	Company-wide Centralized Security Operations Centre (SOC)

Amplifying Economic Impacts

Since our inception our influence has significantly amplified economic benefits throughout the UAE. Committed to advancing the nation's sustainability objectives, we are dedicated participants in the ongoing decadal plan, 'We the UAE 2031'. Our dedication extends to achieving 100% customer satisfaction by offering innovative products and services that go above and beyond to meet their needs. Our strategic focus centres on sustaining growth through diversified income streams and maintaining optimal efficiency levels. Our relentless commitment aims to not only maintain but amplify our economic impacts, contributing substantively to the prosperity of the region.

Customer Experience

Despite facing industry volatility and challenges, we and our subsidiaries persevere in delivering sustainable value and enhancing customer experiences in every interaction. We focus on customer-centricity by delivering a seamless experience throughout the customer journey. Recognizing the dynamic progression of touchpoints, we prioritize enhancing pivotal moments. This strategic approach, rooted in understanding customer psychology, involves designing supporting processes to effectively manage expectations. We and our subsidiaries mutually set benchmarks, illustrating how companies can navigate the evolving business landscape while placing customers at the forefront of strategic initiatives.

The customer centric orientation followed by our subsidiaries help them position as a customer-centric trailblazer. In 2023, Emirates Glass dedicated efforts to customer satisfaction through quarterly surveys across six crucial categories. The company's exceptional performance shone in Customer Orientation, Product Supply, and Communication and Supply, garnering an impressive average score of 94.2 in Customer Orientation throughout the year. Notably, Emirates Glass earned top rankings in three categories, reinforcing its resolve to quality products, effective communication, and continuous improvement. The quarterly evaluations affirm that customer expectations were consistently met, reflecting the company's unwavering dedication to delivering excellence and fostering lasting satisfaction among its clientele.

Following suit, Emicool demonstrated a customer-centric commitment through collaboration with IPSOS for intensive customer feedback analysis. Implementing E-receipts, online registration, and cancellation, and a welcome letter for new customers were some of the efforts that reflect Emicool's dedication to enhancing the customer experience. Complying with regulations and eliminating unnecessary processes further underscores Emicool's customer-centric initiatives. On the other hand, Dubai Investment Park showcased a customer-centric approach by revising surveys to include open-ended questions for comprehensive satisfaction assessment. The implementation of online feedback submission via the website facilitated easier monitoring, reflecting the company's commitment to responsive customer engagement.

Collectively, these initiatives across Dubai Investments and its subsidiaries highlight a robust commitment to customer-centricity, setting industry benchmarks and emphasizing the conglomerate's dedication to delivering exceptional experiences throughout the customer journey.

Case Study: Enhancing Customer Experience at Emicool

Emicool, a leading district cooling provider, recognized the importance of continuously improving customer satisfaction and experience. To achieve this, the Customer Service Department implemented various strategies and initiatives aimed at gathering feedback, addressing concerns, and enhancing service delivery.

Approach:

1. Transactional and Periodic Surveys: Emicool conducts both transactional and periodic surveys monthly and yearly to gather qualitative and quantitative feedback from customers. These surveys help monitor progress and pinpoint areas for improvement.
2. Proactive Customer Outreach: The Customer Satisfaction Team proactively contacted dissatisfied customers who provided negative feedback to understand and promptly resolve their concerns. These cases were repurposed into valuable internal training materials for improving customer service.
3. Third-Party Feedback Program: Emicool collaborated with a market research firm for a one-year program to gather feedback from residential, commercial, and new customers. Analysis of findings led to an action plan workshop for enhancing service delivery and customer experience.
4. Training Sessions: The Customer Service Team participated in quarterly training sessions focusing on improving communication skills and technical knowledge. Sessions covered standardized call scripts, email communication, and practical training using real-life customer feedback case studies.

The project was executed through several distinct stages:

1. Preparation of Comprehensive Report

2. Mini Action Plan Workshop with Frontliners

3. Main Action Plan Workshop with Decision Makers

4. Action Plan Presentation to senior management and CEO

5. Training and Advancement

The proactive initiatives undertaken by Emicool yielded significant improvements in customer satisfaction and experience, evident through notable enhancements in monthly and yearly CSAT scores. Continuous monitoring and feedback collection enabled Emicool to track satisfaction levels and identify areas for growth. Furthermore, the upcoming launch of the new customer portal in mid-2024 is expected to further enhance convenience, reduce carbon emissions, and transition towards a paperless future, demonstrating Emicool's commitment to delivering exceptional customer service while embracing sustainability.

Digitization and Innovation

We, together with our subsidiaries, consistently champions technological innovation across the entire value chain, actively supporting digitization initiatives throughout its diverse sectors and subsidiaries. In 2023, our efforts towards digital transformation and sustainability reached new heights, marked by significant milestones and proactive initiatives.

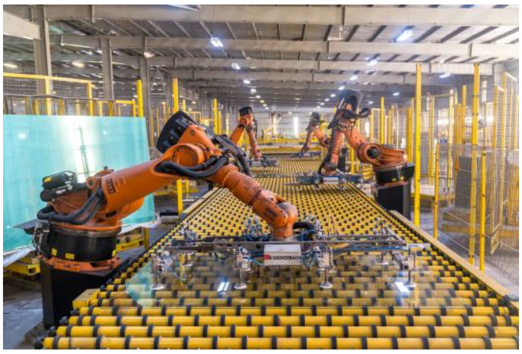
A pivotal achievement was the initiation of the Industry 4.0 maturity assessment, positioning us at the forefront of digital evolution. The successful implementation of the Enterprise Resource Planning (ERP) system for Dubai Investments further streamlined processes, enhancing operational efficiency and integrated business management.

Aligned with our vision of a paperless office environment, three transformative digital projects were launched. These initiatives, including the Electronic Signature System, Document Management System, and Press Automation through Workflows led to manifold improvements in our internal processes.

A year ago, we embarked on a robust digital transformation journey in collaboration with Oracle, KPMG Lower Gulf, and Tech Mahindra, focusing on implementing "Oracle Fusion Cloud Applications." This initiative, aimed at driving continuous innovation and enhancing efficiency through automation, has gained full momentum, showcasing tangible and positive results as we enter 2023.

Our subsidiaries have also contributed to innovation. Emirates Glass introduced the "EmicoolNN35T" Glass, showcasing solar control properties for enhanced energy efficiency and reduced carbon emissions. The "EliteBlue 40 Plus" Glass from Emirates Glass was selected for the prestigious "Imkan project" at Al Raha Beach due to its energy-efficient features. Additionally, "Emicool Sun NN50T" clear glass by Emirates Glass was chosen by "Union Co-op Motor City" for its solar and thermal control features, further highlighting measures that we undertake towards innovation.

Empowering UAE's Solar Potential: Double Silver Coated Glass



Emirates Float Glass has solidified its position as a frontrunner in the industry through its strong emphasis on innovation and sustainability. Its commitment to advancing sustainable energy solutions highlighted by its offering of **Double Silver Coated Glass** within the United Arab Emirates, underscores its dedication to innovation. By manufacturing Double Silver Coated Glass, Emirates Float Glass actively promotes **energy efficiency in architectural applications**, thereby not only reducing energy consumption but also exemplifying its dedication to fostering a more environmentally conscious future for the UAE.

In addition, Emirates Float Glass has made notable progress in encouraging energy-efficient solutions in the sector, with an **annual manufacturing capacity of 2.5 million square meters** of high-performance double silver low emissivity reflective glass produced.

Over the past year, Emirates Float Glass has accomplished a noteworthy decrease in overall energy use inside its production facilities by putting strict energy management policies into place. These calculated initiatives not only fit in with the objectives of global sustainability, but they also establish Emirates Float Glass as a pioneer in the promotion of energy-efficient glass production technologies.

Emirates Glass' Glaston Jumbo Series

Emirates Glass LLC recently integrated **the Glaston Jumbo Series flat glass tempering line featuring Vortex Pro convection technology,** showcasing commitment to innovation, and enhancing quality standards. A noticeable trend towards larger glass panels, reflecting evolving consumer preferences, prompted this tactical investment in the Glaston Jumbo Series. This advanced system facilitates the production of **high-performance coated glass with remarkably low emissivity levels, as minimal as 0.02%,** while accommodating glass sizes of up to 8 meters.

This transformation is a testament to Emirates Glass's proactive approach to meeting evolving market demands while emphasizing material efficiency. The Glaston technology enables the production of superior quality glass and ensures optimal utilization of materials, reducing waste and enhancing sustainability across the production process.

Valuable Relationships

Our commitment to building and nurturing positive relationships with all stakeholders is integral to our company's ethos. Engaging with stakeholders is not just a practice; it is a necessity for organizational success. Our stakeholder relations management encompasses a broad spectrum, from ensuring excellent customer experiences to scrutinizing suppliers for their social and environmental performance. Our strategic engagement with suppliers is driven by the recognition that a robust supply chain is critical for business continuity and effective risk mitigation. In essence, our emphasis on valuable relationships with stakeholders is not just a commitment; it is a driving force behind our sustained success and resilience.

Supply Chain Management

1277 Total number of local suppliers engaged in 2023

452.07 Procurement spending on local suppliers (AED million))

652.95 Total procurement spending (AED million)

Dubai Investments remains dedicated to identifying and assessing new suppliers that align seamlessly with our evolving requirements. The cornerstone of our supplier relationships lies in their robust capabilities, top-notch quality, and attractive commercial offerings, fostering enduring and mutually beneficial partnerships. Central to our success is the engagement with suppliers who not only meet our stringent standards but also share our core values.

We hold our suppliers to elevated levels of business conduct and integrity, articulated in our Supplier Code of Conduct. Our Supplier Code of Conduct outlines our expectations for operational excellence, fairness, and environmental and social responsibility. It is imperative for collaborating vendors to adhere to this Code, reflecting our commitment to ethical business practices, and they are encouraged to disseminate and enforce its provisions throughout their organization and supply chain.

As we are committed to ensuring the security of sensitive data in our collaborations, suppliers with access to Dubai Investments' confidential information must meet minimum control requirements, subject to a rigorous risk assessment. This evaluation encompasses the supplier's controls related to security, availability, vulnerabilities, and system access, ensuring a secure and reliable partnership.

We consider suppliers as one of our key stakeholders and thus engage with them on an ongoing basis. Annual targeted surveys are a key component of our supplier engagement strategy. These surveys allow us to evaluate suppliers' proficiency in managing crucial aspects such as labour practices, human rights, environmental stewardship, and occupational health and safety. Effective management of these issues, coupled with compliance with relevant laws and regulations, mitigates potential risks and ensures a responsible and sustainable supply chain. Embracing supplier diversity aligns with our values, contributing to a more inclusive and equitable business environment.

In essence, supply chain management at Dubai Investments and our subsidiaries is characterized by our criteria, proactive risk assessment, ongoing training, and a commitment to diversity. This ensures that our suppliers not only meet our operational requirements but also align with our core values and principles, creating a resilient and responsible supply chain.

Emicool serves as an illustrious example of our subsidiaries' proactive approach towards strengthening supplier assessments. At Emicool, a rigorous vendor evaluation and registration process is prioritized. The assessment also evaluates compliance with quality management, environmental sustainability, health and safety, and energy efficiency policies. In 2023, Emicool successfully onboarded 55 new suppliers who are in alignment with our sustainability vision, aided by the consideration of these supplementary disclosures. Emicool's present efforts focus on refining procurement practices to integrate green procurement as standard, ensuring sustainability across the value chain through adherence to the supplier code of conduct and ISO 14001 environmental management and ISO 45001 health and safety standards. The supplier code of conduct remains consistent with 2022, underscoring Emicool's resolve to ethical and responsible procurement practices.

Operating Responsibly

We take great pride in upholding elevated standards of excellence across our business operations. Our commitment to these standards is fortified by the integration of cutting-edge technology and digital innovation. This strategic approach not only facilitates the production of goods and services aligned with our core principles but also contributes to the promotion of sustainable development. Furthermore, in line with our commitment to responsible business practices, we screen our investments for Environmental, Social, and Governance (ESG) factors, ensuring a comprehensive evaluation of our impact on society and the environment.

ESG Due Diligence

We incorporate aspects of environmental and social due diligence as a standard protocol of our relevant due diligence processes. The process aims to provide guidance on environmental and social issues, while conducting impartial assessments.

We place a high priority on due diligence, employing a process to identify potential environmental and social risks that could impact our operations and reputation. By proactively addressing environmental and social considerations, we position ourselves as a responsible and forward-thinking organization, mitigating potential risks and fostering sustainable practices.

The benefits derived from our Environmental, Social, Governance (ESG) due diligence efforts are substantial. Streamlined regulatory compliance is a key outcome, ensuring our operations align with relevant standards and contributing to overall efficiency. Additionally, our efforts result in reduced operating costs, as we identify and mitigate risks that could impact financial performance, showcasing our commitment to prudent business practices. Lastly, our commitment to due diligence positively influences customer loyalty. Customers appreciate and align with our dedication to ethical practices, fostering stronger loyalty and trust within our customer base.

Data Privacy and Cybersecurity

We manage a wide range of personal and financial data on a regular basis, aligning with all applicable laws and regulations. We proactively address privacy and data protection concerns through continuous improvement of our internal controls, implementation of robust policies, and continually upgrading our technology.

Privacy holds a paramount position within our comprehensive global data risk management process, aligning with our commitment to compliance, operational risk oversight, and governance. Our robust approach includes regular training, awareness initiatives, and dedicated teams, ensuring a multi-stakeholder oversight mechanism with a focus on all our lines of defence. We emphasize to our employees the importance of maintaining confidentiality and integrity when handling personal data.

Given the escalating size and complexity of cybersecurity threats, safeguarding our firm, customers, and vendors while fostering innovation remains an ever-evolving priority. As we embark on new business ventures and embrace innovative technologies, the associated risks, and challenges multiply. Therefore, we make substantial investments in cybersecurity to proactively prevent malicious activities and protect sensitive data.

Recognizing that our employees serve as the first line of defence, we prioritize education, training, and testing to empower them in identifying potential cybersecurity risks. This approach ensures the protection of the firm's resources and information, with a mandate for employees to undergo regular cybersecurity training and assessments. Periodic internal evaluations are conducted to pinpoint vulnerabilities, identify upgrade opportunities, and implement new defence layers. In anticipation of potential cybersecurity incidents, our incident response plan is diligently crafted to enable swift actions to attempted breaches, coordination with law enforcement, and the timely notification of customers when necessary. Our commitment to cybersecurity is not just a protective measure; it's a proactive stance to uphold the highest standards of data privacy and security across all our operations.

To significantly improve the comprehensive information security framework of Dubai Investments and its subsidiaries, a pivotal step undertaken this year involved the establishment of a Centralized Security Operations Centre (SOC) for the entire group. The SOC stands as a critical component mandated by GDPR, playing a fundamental role in the organization's cybersecurity infrastructure. It offers continuous monitoring, rapid response capabilities, and strategic insights, fortifying our defences against the ever-evolving landscape of cyber threats.

<u>Some of the key benefits of SOC</u>:

1. **Early Threat Detection:**
2. **Incident Response and Mitigation:**
3. **24/7 Monitoring:**
4. **Threat Intelligence Integration:**
5. **Centralized Security Management:**
6. **Continuous Security Improvement:**
7. **Compliance Management:**
8. **Customized Threat Analysis:**
9. **Cost-Efficiency:**

In 2023, Global Pharma and Emirates Glass reported no incidents of leaks, thefts, or loss of customer data which shows robustness of IT infrastructure as a group.

Our vision going forward is to implement the best practice of consistently reporting data security incidents transparently throughout the entire company.

Building Tomorrow, Preserving Today

We translate our commitment to sustainability into tangible actions aimed at protecting natural resources and mitigating environmental impacts, specifically in areas such as emissions, energy, water, and waste. Embracing circular economy principles, we actively promote biodiversity and adhere to global sustainability norms. Furthermore, we aspire to broaden our portfolio of innovative sustainable products through our subsidiary businesses, thereby actively contributing to a greener and more sustainable future.

Our Focus Areas:

- Energy Management
- Climate Change
- Water and Waste Management
- Biodiversity

KEY HIGHLIGHTS FROM 2023:

9.5% decrease in total Greenhouse Gas (GHG) emissions	**12 % Reduction in the Scope 2 Emission with Baseline year as 2022**
25% of energy consumption through alternate sources.	**34,500 trees and ground covers of different species planted to protect biodiversity**

KEY ACHIEVEMENTS FROM 2023:

"District Cooling Initiative of the Year – UAE"

EMICOOL has been recognized for its pioneering utilization of AI-powered devices in conjunction with treated sewage effluent for district cooling solutions. This innovative approach not only reduces environmental impact but also promotes water and energy conservation, effectively addressing the global climate challenge.

"Exclusive recipient of the Golden Listing among Glass Companies"

Emirates Float Glass bestowed with the Golden Listing for the implementation of sustainable approach in both construction and automotive sectors, involving adoption of energy efficient glass solutions, fostering sustainable supply chains and reduced transport emissions.

"Emirates Glass Becomes a Member of Clean Energy Business Council"

Emirates Glass has joined the Clean Energy Business Council (CEBC) to promote sustainability in the construction industry. The coalition aims to shape the future through resource conservation and carbon emission abbreviation, partnering with regulators, legislators, and renewable energy firms in the MENA region.

Protecting Natural Resources

Protecting natural resources is paramount for the UAE's ambitious economic growth goals, with a focus on advancing the circular economy. As we embrace these principles of innovation and sustainability, we extend our support to regional and global efforts by reducing waste, energy, and water usage, while also mitigating atmospheric emissions and safeguarding biodiversity. Through adherence to sustainable standards and the promotion of smart city solutions, our subsidiaries aim to become a leading provider of sustainable goods and services. Our strategy includes implementing efficiency plans, identifying, and mitigating environmental impacts, and expanding our innovative sustainable offerings across subsidiaries, all in alignment with our mission to advocate for sustainability.

Energy Management

We prioritize environmentally responsible methods and innovative strategies for energy management throughout our organization. In the year 2023, we further elevated our commitment to sustainability by continuing to work on increasing energy efficiency.

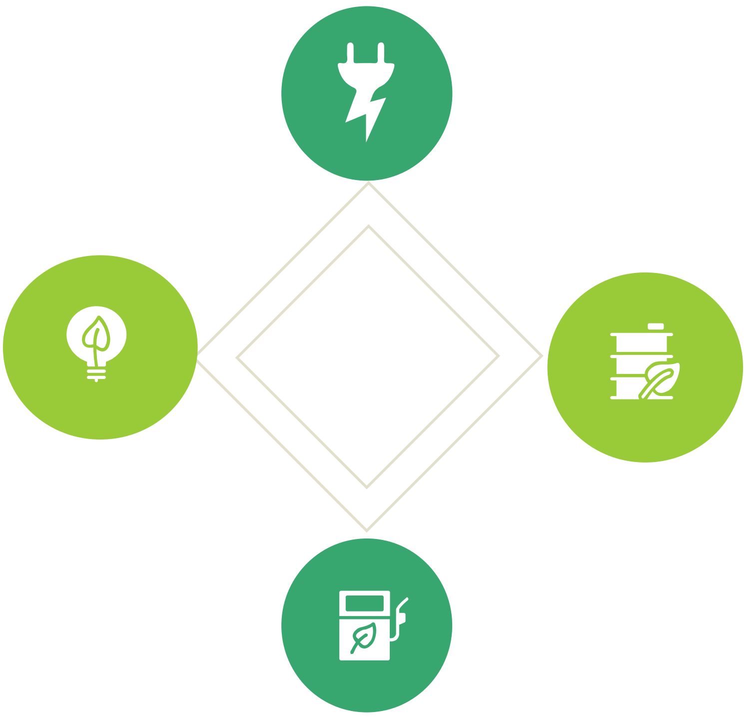
In 2023, due to expanding nature of our businesses, we have had an increase in energy consumption, reaching 2,253,870 GJ. Though the absolute consumption numbers reflect an increase of 37% however this increase can be directly attributed to increase in number of subsidiaries reporting their energy consumption and expansion of business for some subsidiaries such as Emicool. Alongside we have also made strong efforts to ensure that nearly 25% of total energy consumption is sourced from alternative sources.

TOTAL ENERGY CONSUMPTION (GJ)

2,253,870

TOTAL ELECTRICITY CONSUMPTION (GJ)

1,673,188

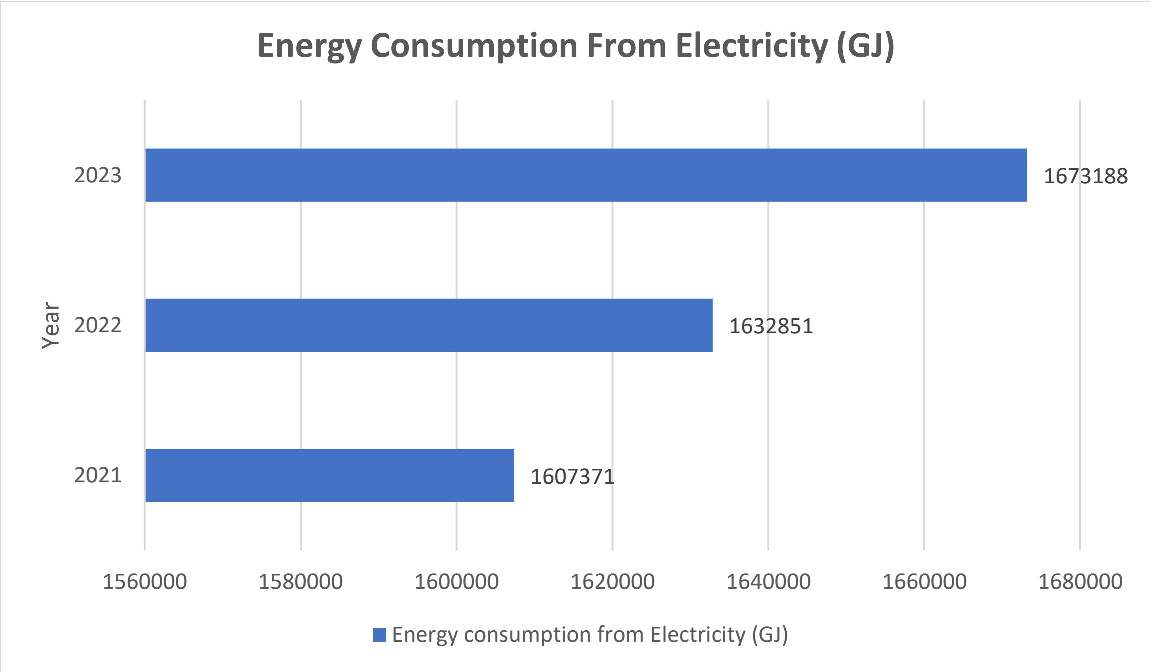


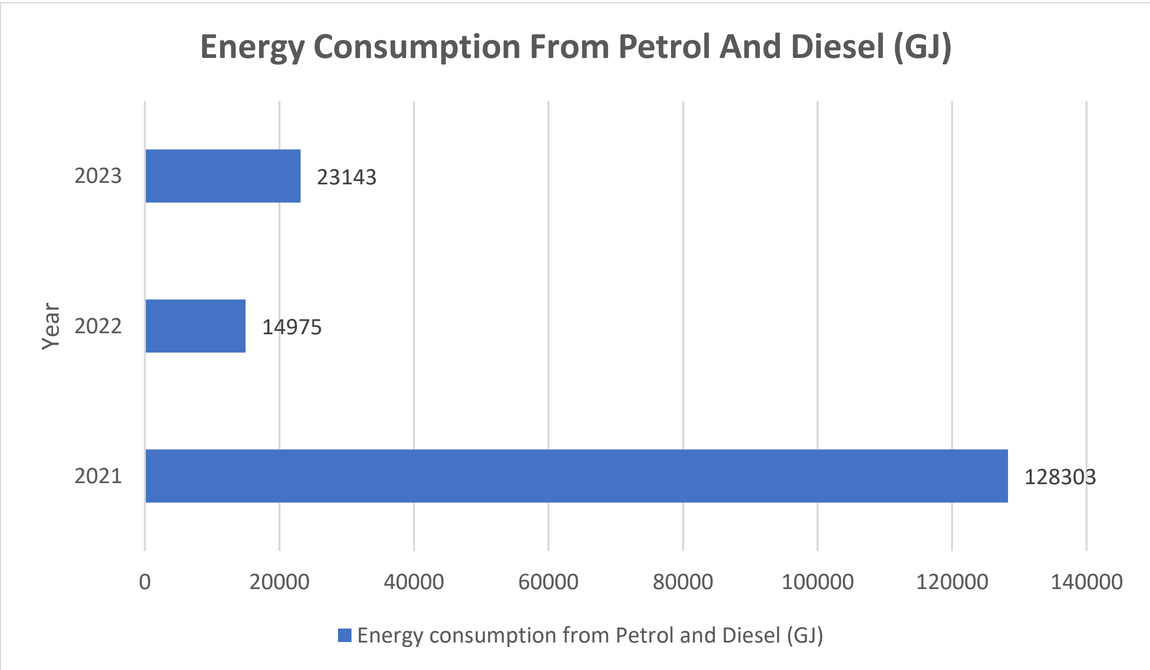
ENERGY INTENSITY (GJ per m2 of space) which also includes renewable energy

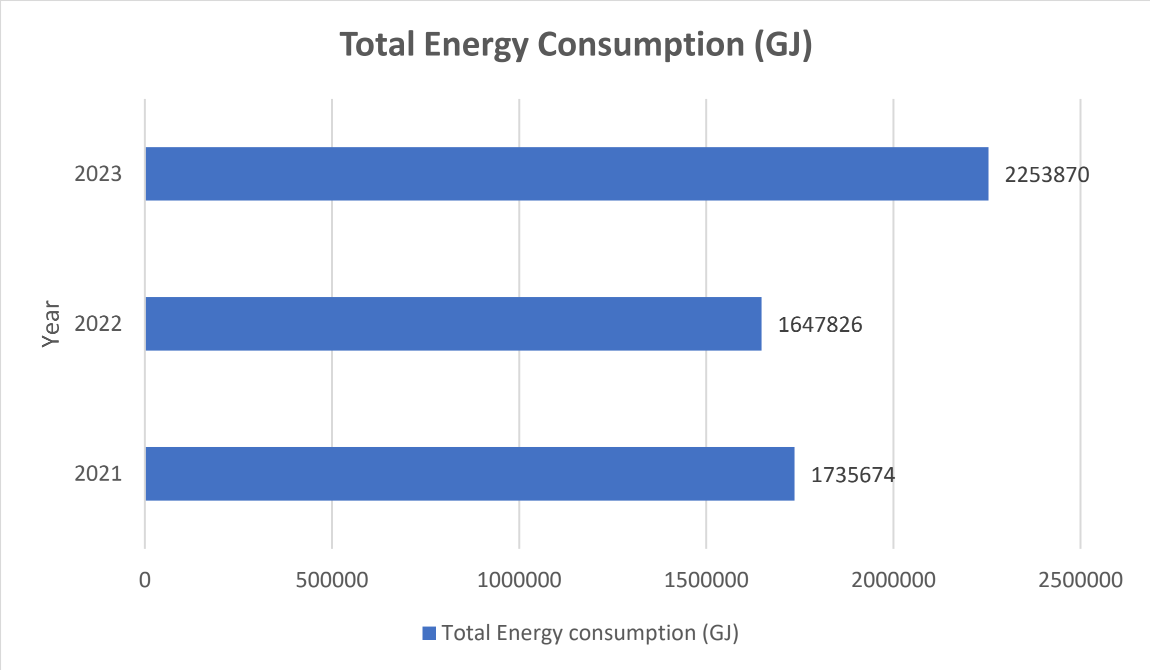
15.27

Energy Consumption by Fuel (GJ)

23,143 (Petrol & Diesel)







Our subsidiary, Emicool, leads the way in pioneering innovations for district cooling systems, prioritizing energy efficiency at the forefront. Emicool champions district cooling systems, renowned for their superior energy efficiency, potentially saving up to 40% compared to individual air conditioners. This innovative technology not only delivers effective cooling solutions but also optimizes space consumption, aligning seamlessly with our dedication to sustainable urban development in Dubai.

Furthermore, the incorporation of energy-efficient solutions within building material entities demonstrates our dedication to environmentally friendly energy practices. For example, Emirates Glass, which has implemented LED lighting throughout its factory and office spaces, achieving a complete replacement of traditional lighting with LEDs. Marching ahead Emirates Glass has incorporated rooftop solar panels in its facilities to decrease dependency on grid energy and lower energy expenditures. These solar panels generate approximately 2,800 megawatt-hours (MWh) of green energy annually, addressing over **30% of the facilities' energy requirements**.

Dubai Investments Park LED Retrofit

Dubai Investments Park (DIP) undertook LED light retrofit project to enhance energy efficiency in its operations and demonstrating its consequential role in promoting environmental sustainability.

Through this project DIP is targeting to secure an annual energy savings of **700,000 kWh** by swapping out **1,355 sodium lamps with LED substitutes**. DIP partnered with Litetech Industries LLC, a pioneer in the manufacturing of lighting fixtures and eco- friendly LED fittings, to install the LED lights. With its strong track-record and expertise, the company served as an ideal partner demonstrating innovation in design and excellence in execution.

Perennial efficiency is the hallmark of LED lighting, which has a **10-year lifespan** and serves approximately **50,000 lighting hours every month**. This change results in less desideratum for maintenance and less electricity utilized, which is consistent with sustainable practices.

Comparing the equipment's lifespan to that of traditional lights, studies substantiate a consistent light output with **less than 1 percent degradation annually**. The dependability of this system guarantees perpetual lighting while minimizing the environmental effects of frequent replacement.

Playing its pivotal role in energy efficiency, DIP was able to reduce its electricity consumption by upto 33% in 2023 as compared to 2022.

EMICOOL's Solar Expansion

EMICOOL has signed a Solar Photovoltaic System Leasing and Operation Accedence agreement, a consequential step towards sustainability.

Within the confines of its District Cooling Plant 1 (DCP1) and its head office in Dubai Investments Park 1, EMICOOL plans to enhance its **solar capacity by an incredible 238%.** This incremental step showcases a significant dedication to clean and renewable energy methods, aligning with broader goals of reducing carbon emissions and advancing the energy transition. Building on the momentum of this agreement, EMICOOL hopes to increment its reliance on solar energy significantly by **reaching a Solar Productive Capacity (SPC) of 350 KWP for the DCP1 facility**. This ascend represents a calculated move on the component of the business to enhance sustainable practices and abate its need on non-renewable energy sources.

EMICOOL's **decision is in line with both Dubai's Integrated Energy Strategy 2030 and the UAE's Strategy 2050,** demonstrating the company's dedication to the country's environmental objectives. Through incrementing the perforation of solar energy, EMICOOL makes a direct contribution towards larger sustainability agenda.

CASE STUDY:

ENERGY EFFICIENCY

Dubai Investments Park (DIP) replaced its leased security patrolling vehicles with hybrid vehicles by December 2022

In a pioneering move in December 2022, DIP embraced positive change by replacing its fleet of 13 leased security patrolling vehicles with environmentally friendly hybrid alternatives. A careful examination of fuel consumption costs in 2022 and 2023 reveals compelling benefits resulting from this transition.

The integration of hybrid vehicles seamlessly aligns with DIP's commitment to environmental responsibility. By combining internal combustion engines with electric motors, hybrid technology ensures a marked reduction in emissions compared to conventional fuel-powered vehicles.

Notably, **petrol consumption experienced a remarkable reduction of ~58%**, decreasing from 106,232 litres in 2022 to 45,155 Liters in 2023. Similarly, **diesel consumption witnessed a significant drop of 42%**, falling from 18,311 litres in 2022 to 10,667 litres in 2023. The substantial percentage decreases highlight the environmental advantages and underscore the considerable annual savings achieved through the adoption of hybrid vehicles.

This initiative reflects our ongoing commitment to creating a positive impact on both our operational efficiency and the environment and aligns perfectly with strategic objective of **Clean Energy** under the **UAE Green Agenda 2030**.

Climate Change

With expanding mode of our business across the UAE region, our Scope 1 emissions increased in 2023 from 2022. In 2023 our Scope 2 emissions decreased by 12% as compared to 2022, building on 33% of GHG emission reduction achieved in 2022 from 2021 base year. This accomplishment indicates our commitment to climate action and attempts to develop an environmentally mindful operational landscape. We embrace our commitment to responsible corporate citizenship by consistently minimizing our environmental footprint and actively contributing to positive environmental change.

In Spotlight at COP28

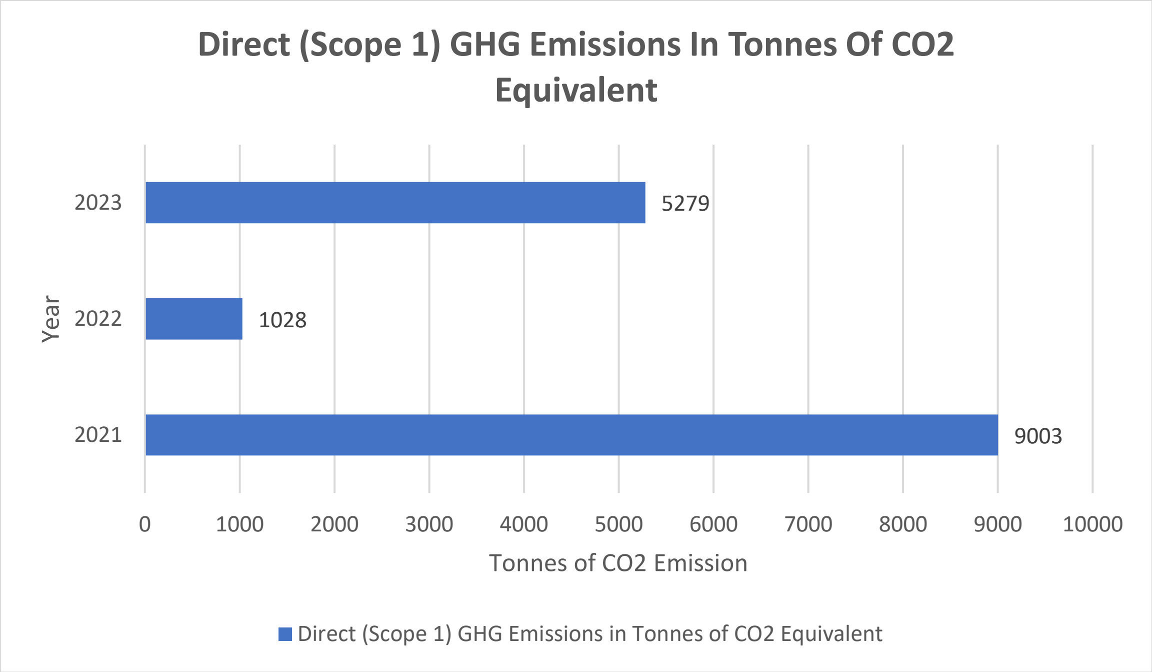
We actively participated in COP28, the largest sustainability event, showcasing our commitment to combating climate change. Our presence at the Green Zone within the Climate Finance Hub at Expo City Dubai, alongside our subsidiaries, underscored our dedication to sustainability initiatives. Key highlights from our engagements in 2023 included Dubai Investments Park showcasing a significant LED streetlight upgrade project, Dr. Adib Moubadder, CEO of Emicool, emphasizing our climate change mitigation efforts through panel discussions, and Saleem Raza, General Manager of Emirates Float Glass, contributing to extensive roundtable discussions with industry leaders at the Schneider Electric showcase during COP28.

In 2023, we witnessed a decline of overall GHG emissions by 9.5% basis our 2022 levels, equating to a decrease of 20,253 tonnes of CO_2 equivalent. Additionally in 2023, we have achieved a GHG emissions intensity of 94.67 tonnes of CO_2 equivalent per employee which is 19% lower than our 2022 levels. These efforts and the results showcase our dedication to minimizing carbon footprint.

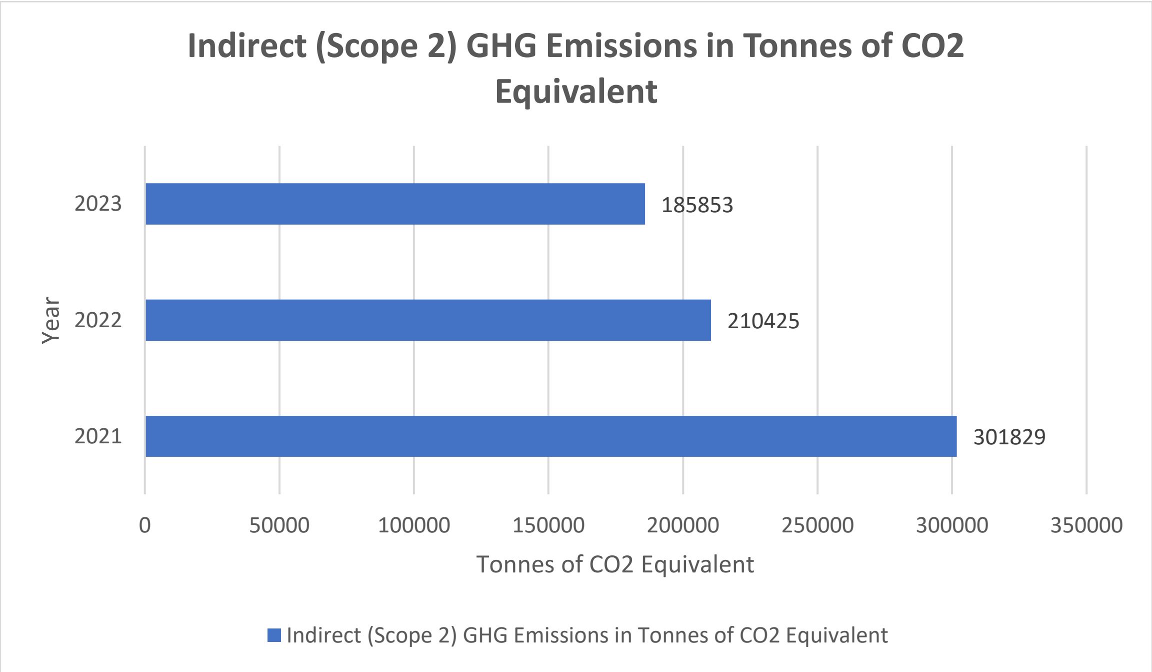
Our subsidiaries have been at the forefront of these efforts consistently demonstrating a strong commitment towards advancing in emission reductions. There has been notable expansion in size of business for some of our subsidiaries such as Emicool, which has led to increase in Direct Scope 1 GHG Emissions. However, with overall continued efforts from different subsidiaries, we have been able to constantly decrease overall GHG emissions on a year-on-year basis. Continuing this journey, our subsidiaries have also started to report on Scope 3 data regularly revising the categories which they report under.

Emissions – Year on Year

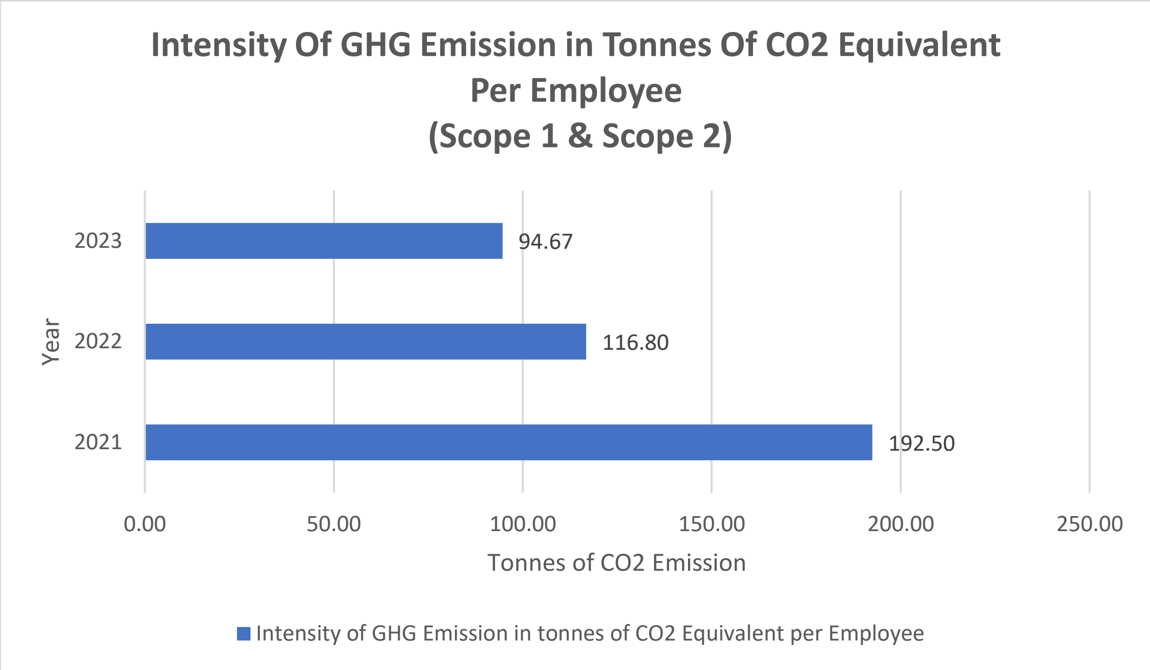
Direct Emissions

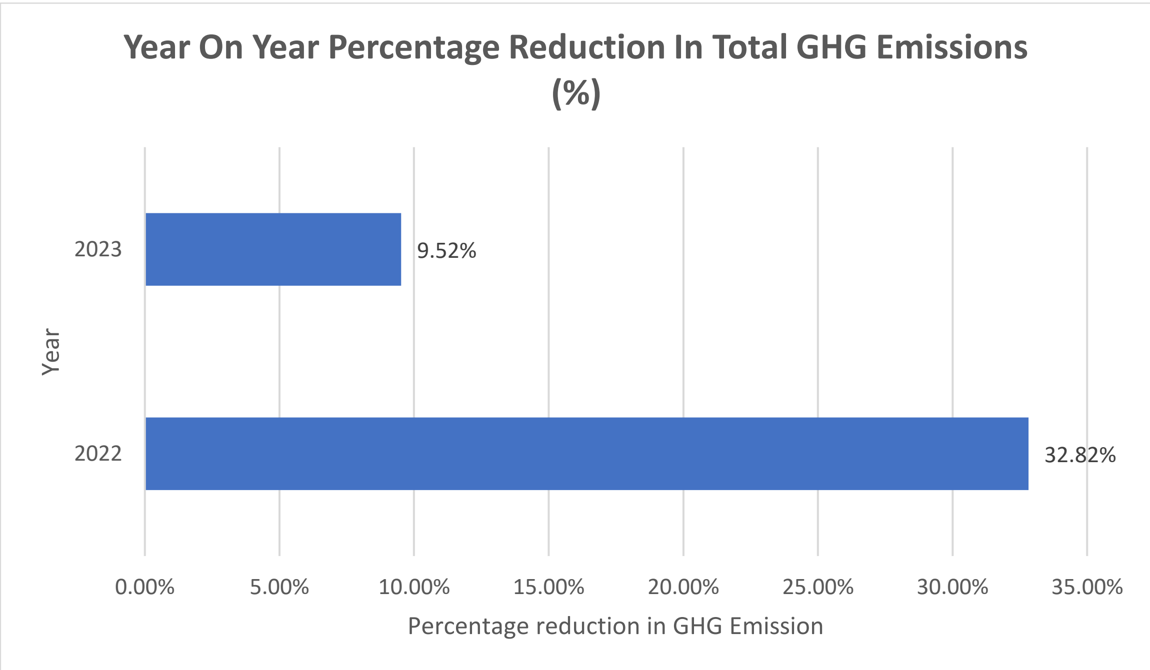


Indirect Emissions



Total Emissions





Description of scope emissions and the standards used for calculations are as below:

Scope 1 calculations covers the direct emission that is generated by our operations and that of our reporting subsidiaries. The calculation is done by taking into consideration the usage of conventional sources of energy (Diesel and Petrol). The standard used for the computation process is UK government GHG conversion factor for companies.

Scope 2 has been calculated by considering the Electricity consumed by us and our reporting subsidiaries for the operational purposes and the emission factor used for calculation has been taken from DEWA Sustainability Report 2022.

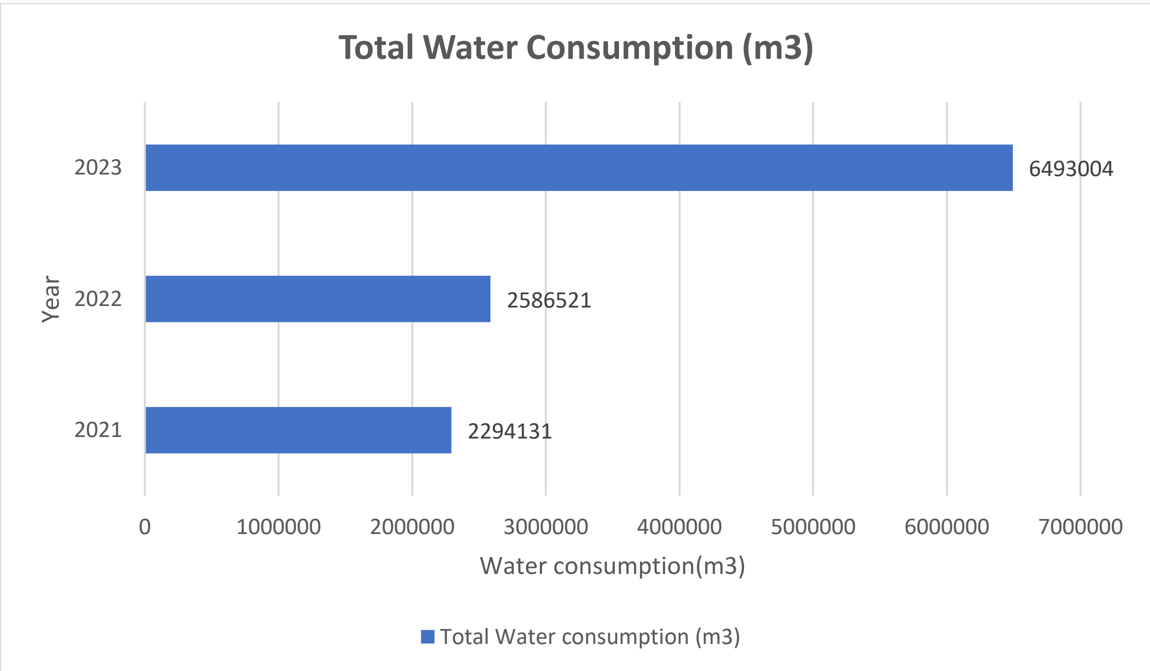
Water & Waste Management

Embracing a commitment to water efficiency, we continued our journey towards sustainable resource management in 2023. Acknowledging the prevalent water scarcity worldwide and particularly in the Middle East, we are committed to operating responsibly by implementing efficient practices to conserve this vital resource.

The water consumption has seen an uptick for consecutive years of due to increase in the production and efforts to increase the penetration of treated water. Continuing on our path of transparency and accountability, 7 of our 8 subsidiaries have started reporting their water consumption data. We continue to manage water intensity showcasing a positive trend. This is demonstrated by actively adopting innovative water recycling and reuse methods across our portfolio companies. The effective application of treated water for irrigation and landscaping indicates the company's proactive approach to water conservation, which is critical in water-stressed areas.

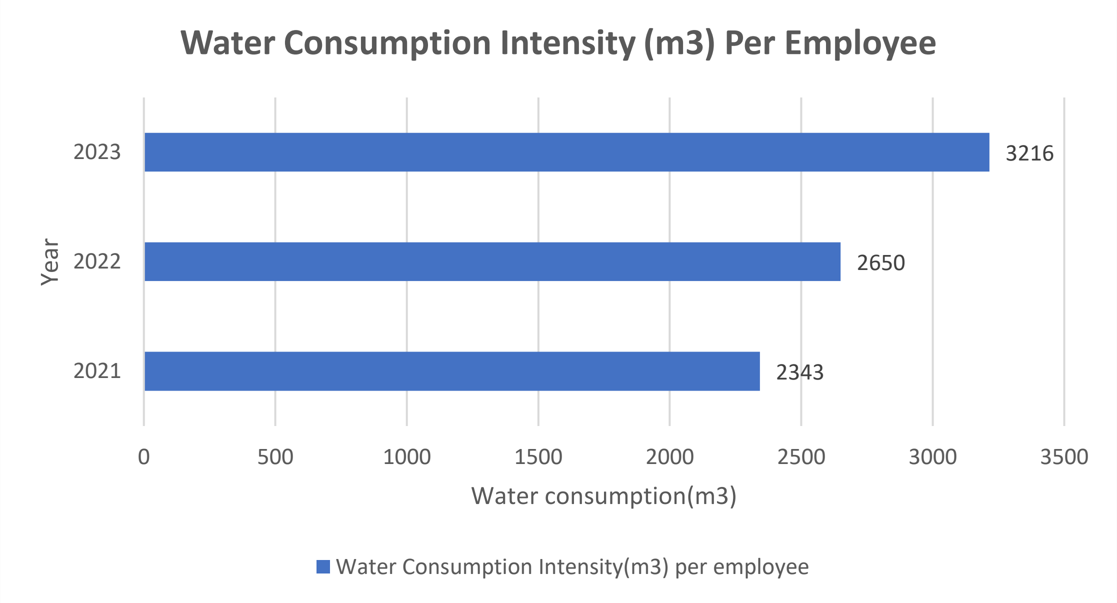
To actualize our commitment to establishing a company grounded in water efficiency practices, we've undertaken various initiatives across our subsidiary companies. One such example is the installation of a cutting-edge Effluent Treatment Plant (ETP) by GlobalPharma. This marks an important milestone in wastewater treatment, enabling treated water to be used for irrigation and landscaping at Dubai Investments Park. In addition, the adoption of water-saving spray guns at GlobalPharma demonstrated its commitment to reducing water use in daily operations. Looking out to 2024, we remain steadfast in our commitment to sustain our efforts towards water conservation.

Total water consumption



* An uptick for consecutive years due to an increase in the production and addition of Reverse Osmosis system to increase the penetration of Treated Sewage Effluent for EMICOOL.

*Water consumption quantity has been made available for Dubai Investments PJSC and its 7 out of 8 subsidiaries this year.



Case study:

EMICOOL: Leading the Way in Sustainable Water Management

Emirates District Cooling Company (EMICOOL) won the **Platinum Award at the Global Environmental, Social, and Governance (ESG) Awards**. Their **innovative water efficiency project** demonstrates their dedication to community sustainability and water conservation. Through the **utilization of treated sewage effluent (TSE) and the application of creative water management strategies**, EMICOOL was able to significantly increase water recycling, which improved their district cooling system and the general well-being of the community. With a **30% increase in water recycling and a 20% drop in water use** inside the district cooling plants, this project significantly decreased their carbon footprint.

Their commitment to environmental stewardship is demonstrated by statistics showing a **40% rise in the usage of eco-friendly chemicals** and a **25% efficiency boost through improved filtering systems**.

Their innovative approaches to resource conservation, community well-being, and sustainable water management establish them as a unique case study in the field of corporate sustainability.

In 2023 we have blazed a trail of proactive waste management, characterized by our commitment to sustainability. A significant reduction in hazardous waste and innovative wastewater reclamation projects across subsidiaries attests to this dedication. From pharmaceutical waste truncation to increased water reuse, Dubai Investments prioritizes environmental stewardship, culminating in impactful actions such as Clean UAE sponsorship, defining a comprehensive approach to a greener future.

We remain devoted to responsible resource management, expanding its focus beyond energy and water to include efficient wastewater handling. In 2023, Total amount of wastewater that was treated before discharge is 1,752,517 m3 which is an increase of 27% from the previous year. Continuing with its effort Dubai Investments Park treated more than 0.6 million m3 of wastewater at the Effluent Treatment plant, demonstrating scale of wastewater management practices within its operations. Global Pharma leading the way for safe disposal practices, treated more than 45% of total wastewater.

Emirates Glass Undertakes Significant Steps to Reduce Water Pollution

Emirates Glass facility incorporates a wastewater recycling system within its glass washing machines, for the treatment and repurposing of process wastewater. An additional filtration system has been installed to enhance the recycled water's usability for landscaping. A newly designed cooling system for the LPG cylinder tank enables the collection of waste instead of necessitating a constant flow of water to be directed onto the LPG cylinder head. Furthermore, the water tank collection system design in the water jet machine has been altered to independently gather sand, eliminating the necessity for daily water drainage.

The implementation of the wastewater recycling and reuse system has greatly enhanced overall water management. Through the treatment and recycling of process wastewater, Emirates Glass has lessened its reliance on freshwater, minimized environmental discharge, secured a sustainable water supply for its operations and decreased water utility expenses. Moreover, the system has enhanced the facility's environmental footprint by diminishing the risk of water pollution.

Biodiversity

In the year 2023, we continued with our efforts to create a greener future, here in UAE, by planting almost 34,500 trees, as we strive to preserve the beauty of nature and foster a sustainable ecosystem.

Tree plantation is crucial for maintaining a sustainable environment as it provides oxygen, reduces carbon dioxide levels, and prevents soil erosion. We have adopted tree plantation as one of the initiatives for making a positive contribution to the environment and local communities.

Our initiatives over the years have led to a cumulative plantation of approximately 370,000 trees. Marching ahead, we continue to undertake initiatives to further our resolute dedication to advancing our sustainability objectives.

Saying YES to nature!

We came together for the Ghaf Tree Planting Program, reflecting the company's strong commitment to sustainability and community. As these Ghaf trees flourish and prosper, our dedication to a greener future will also strengthen. The **Ghaf Tree Planting Program**, a collaborative effort by employees, demonstrates the company's strong commitment to sustainability and community engagement.

Number of trees planted in 2023

1- Ghaf Trees: 100
2- Other local indigenous trees: 34,400

Dubai Investments employees joined hands with Goumbook, a social enterprise dedicated to conserving the indigenous trees of the UAE, to plant 100 Ghaf trees in the Dubai Investments Park area! Our initiatives like tree planting projects and participation in the Adopt a Tree program, demonstrates our persistent dedication to cultivating a greener environment.

Enabling individuals, Empowering communities, Enriching Society

We encourage a culture that fosters innovation and promote employee well-being. Our policies aim to create an environment where all our stakeholders are aligned with our commitment to responsible business practices. We extend our impact through CSR creating an overall wellbeing for all our beneficiaries. This commitment strengthens our efforts to the organizational vision for a sustainable and inclusive future.

Our Focus Areas

- Talent Attraction and Workplace Development
- Human Rights
- Diversity, Equity and Inclusion
- Occupational Health and Safety
- Emiratization
- Volunteering Activities and Community Support

2023 Key Highlights

2019 Total Workforce	**9,173** Total Training Hours Delivered
364 Volunteering hours	**20** CSR Beneficiary Organisations

Talent retention and workplace Development

We believe that our workforce is our greatest asset and are committed to supporting them in realizing their potential. We continuously strive for an outstanding workplace. We follow best practices to attract and retain employees while fostering the enhancement of their skills and knowledge.

461 Total New Hires in 2023	**72** Senior Management roles	**100%** Employees received performance and Career development reviews

Right from the recruitment processes, we meticulously select candidates whose principles and qualities align with our vision, ensuring a harmonious fit within our organization. Our recruitment practices are guided by principles of fairness, equal opportunities, and ongoing enhancement, aimed at building a diverse and high-performing team. For our existing talent pool, we also facilitate internal job mobility, promoting career advancement opportunities across group entities, and fostering continuous growth and development.

We believe that the foundation of our success is our motivated and committed workforce which is why we prioritize open communication channels. One of the methods we employ to facilitate this is utilization of a suggestion box, which actively encourages employees to provide feedback and share their thoughts. Also, we gather feedback through periodic employee engagement surveys, the results of which are meticulously used to design our engagement process and guide our workforce development procedures.

Nurturing Workplace Engagement

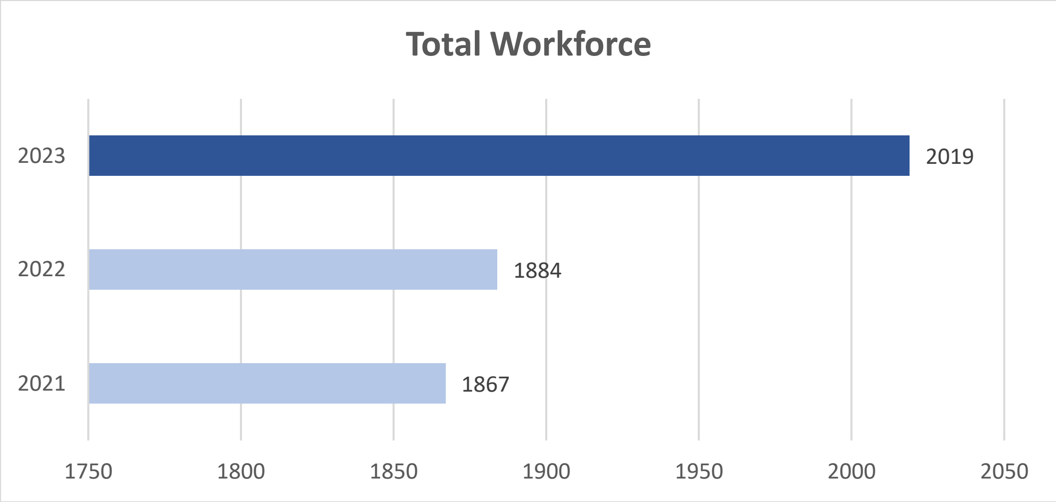
Our leadership encourages a collaborative and inclusive environment, so that creativity and ideation are not hampered. Regular team-building activities like our Group Celebrations, National and Flag Day get-togethers, biannual town hall meetings, awards for achievement and recognition as directed by our Recognition Policy, and a supportive work-life balance enhance our commitment to sustaining high levels of employee engagement.

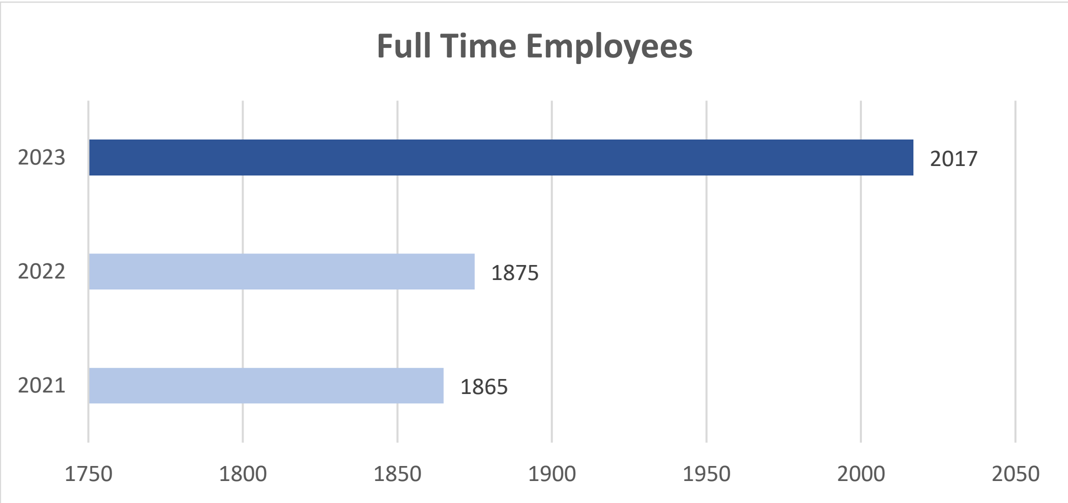
Following our commitment to maintaining a strong workforce in 2023, our total employee count reached 2019. During the year, we recruited 461 new employees. We have seen a steady increase in the number of new young employees (in the age bracket of 23-30). In 2023 we hired 232 new young employees, which is a 64% increase from the year 2021. During 2023, we recruited 222 employees in the age bracket of 31-50 years and 7 new employees of age 51+. Our well-built organization structure helps smooth functioning of the organisation and provides employees with a well-built career path to grow within the organization. We reinforce our commitment to this by organizing informal team engagement activities to build a cohesive workforce. Few such activities from 2023 were:

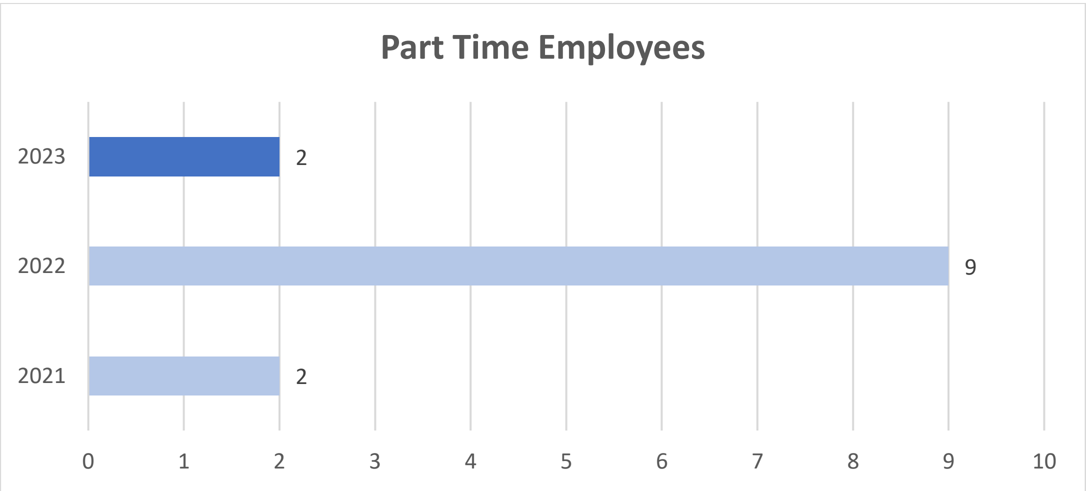
Suhoor hosted for our employees at Dubai Investments during the holy month of Ramadan.
Workers' Day Out – a day of fun at Dreamland Aqua Park as a token of appreciation to Emirates Glass factory workers
Employees' Day Out – a memorable team building adventure in the city of Baku for Emirates Glass employees
The 15th Dubai Investments Park Corporate sports competitions were conducted for Dubai Investments Park based companies
International Women's Day celebrations across Dubai Investments and several of our subsidiaries

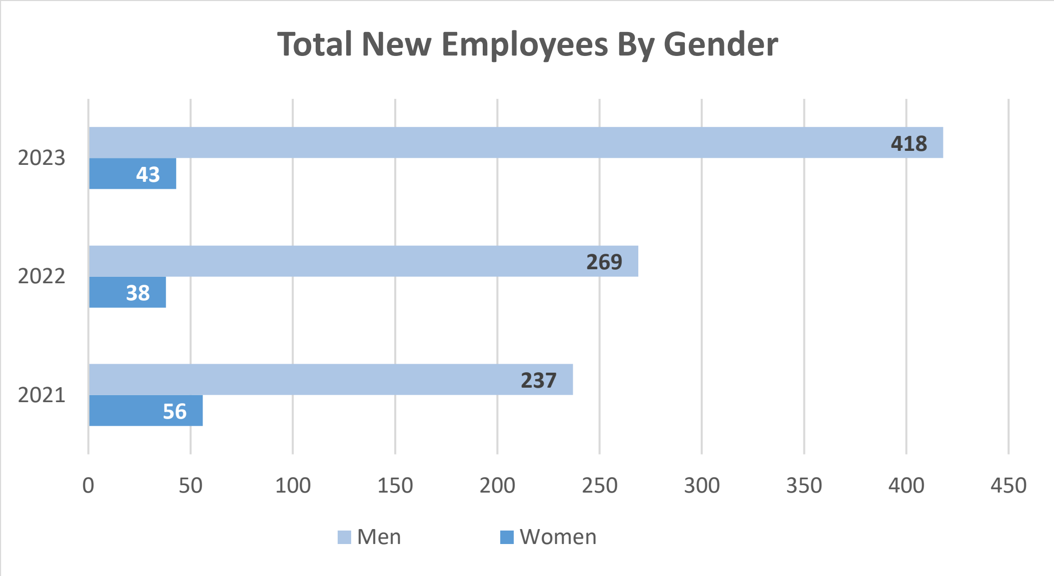
We continue to maintain our focus at talent retention and development across the hierarchy levels and ensure a diverse workforce to drive our businesses. As a good practise, we have achieved the milestone of ensuring that we engage with 100% of our employees in sharing their annual performance reviews to further help them grow strongly within the organization. Alongside this yearly activity, from time to time we also recognize our workforce which is the true driver of our businesses.

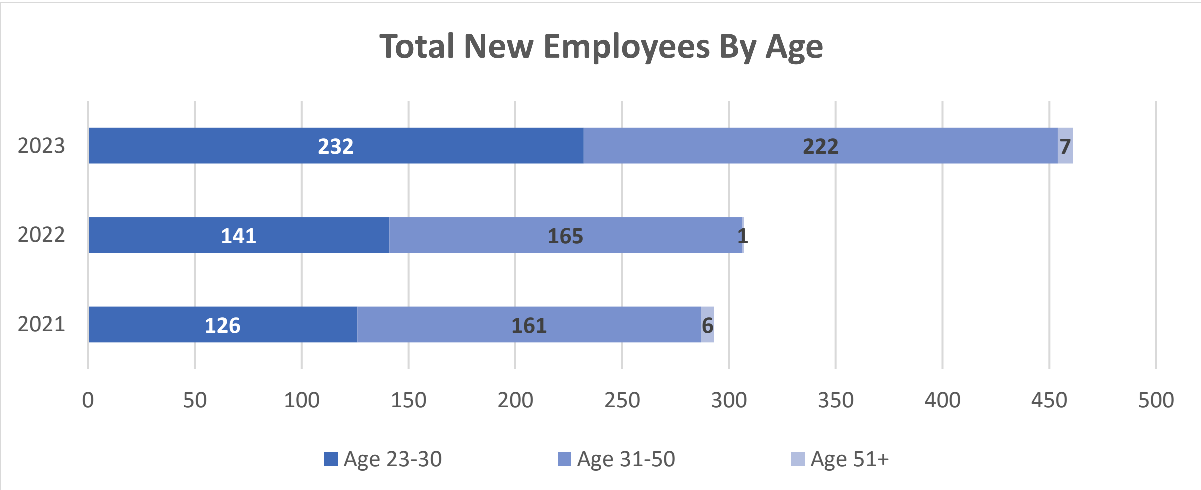
Annual Awards Ceremony was held at Emirates Glass to recognize exceptional accomplishments and say farewells
Rewards and appreciation certificates presented to employees at Emirates Building Systems recognising their diligent efforts and commitment
Certificate of Gratitude – presented by General Manager of Dubai Investments Park to employees and stakeholders for ensuring safety in the face of adverse weather conditions.

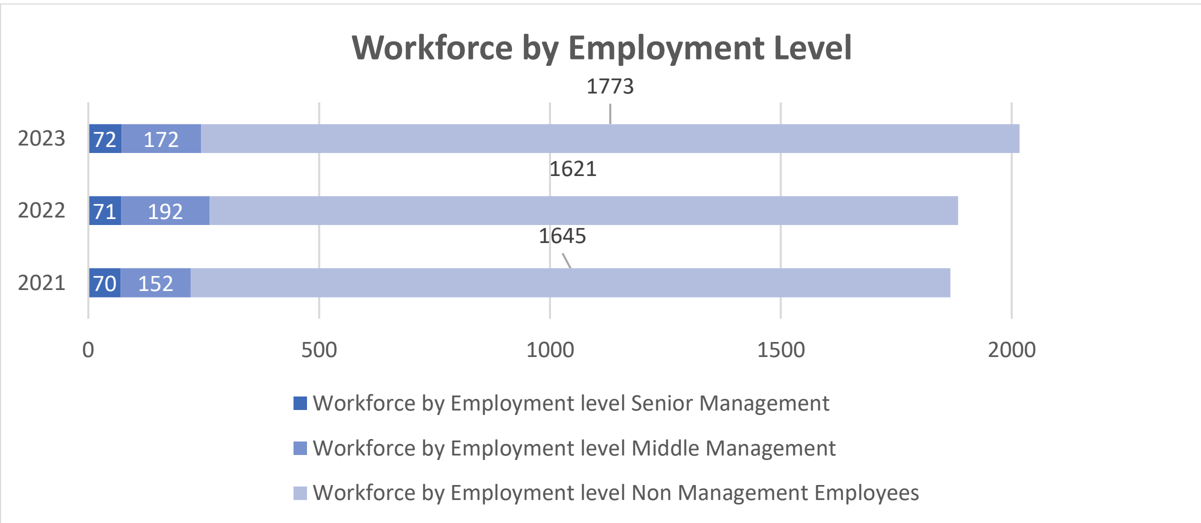

Total Workforce
2023
2022
2021
2019
1884
1867
1750
1800
1850
1900
1950
2000
2050


Full Time Employees
2023
2022
2021
2017
1875
1865
1750
1800
1850
1900
1950
2000
2050

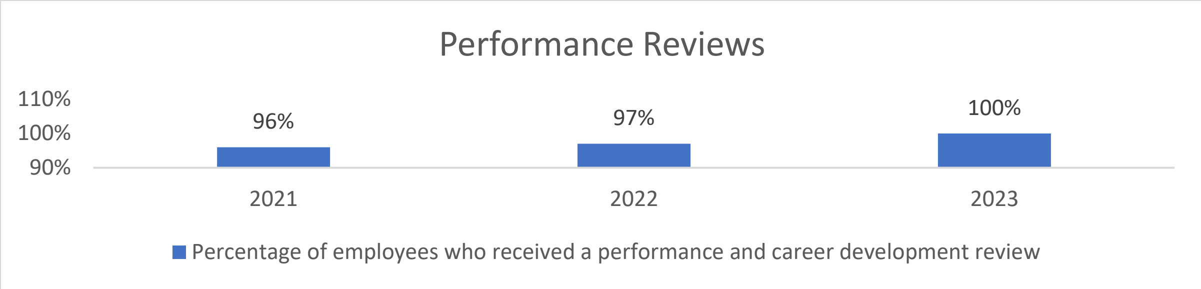

Part Time Employees
2023
2022
2021
2
9
2
0
1
2
3
4
5
6
7
8
9
10







Part time employees not have not been reported in 2023 for employment levels.



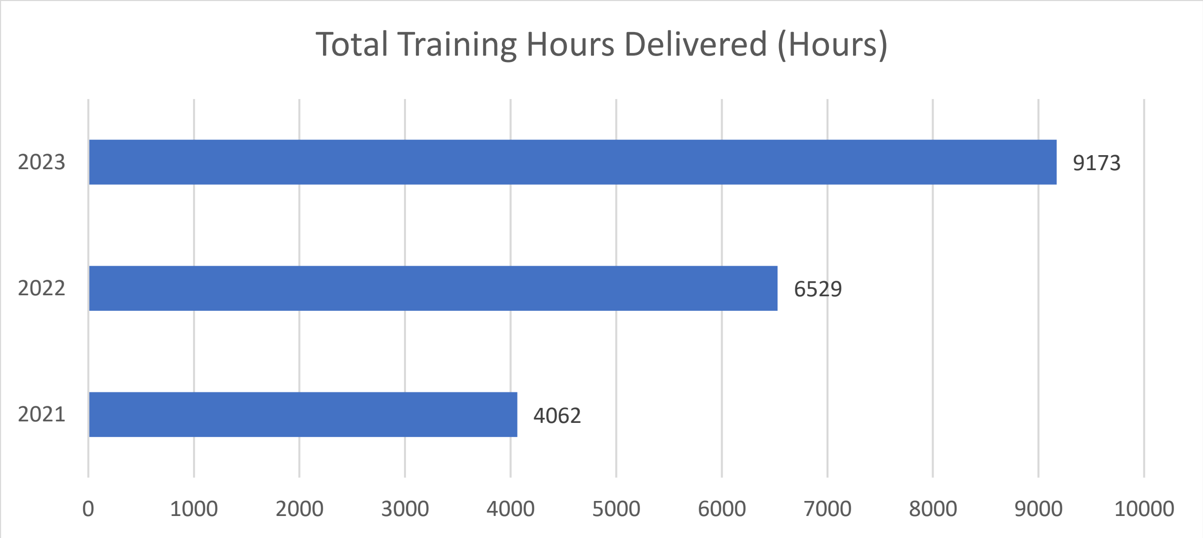
Our workplace culture is founded on the principles of knowledge sharing and collaboration, which are fundamental to our organizational ethos. To instil this culture throughout our organization, we offer a range of comprehensive training programs. These programs serve the dual purpose of promoting practices and facilitating skill development among our workforces.

Our training initiatives are carefully tailored to meet the specific needs of both individuals and the organization. Through regular performance reviews, we strive to recognize achievements, address areas for development, and foster a culture of excellence and continuous improvement across all levels of our workforce.

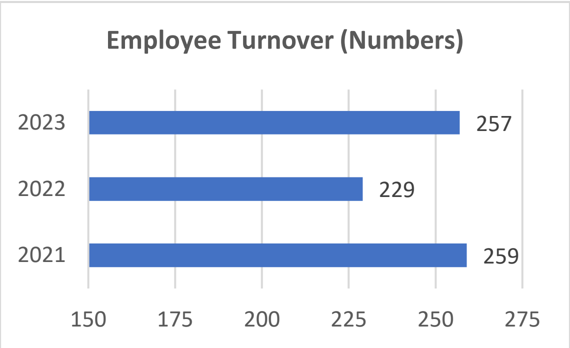
In addition to general skill development, we place a strong emphasis on sustainability education. In 2023, led by Emirates Environment Group, our Sustainability Champions underwent training sessions focused on various aspects of sustainability. By integrating sustainability education into our training programs, we aim to align our workforce with our commitment to building a sustainable future for all.

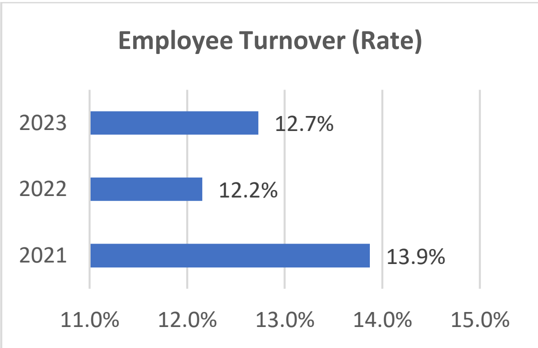
Some other talent attraction, training, and development initiatives that we and our subsidiaries drove in 2023 were:

Dynamic Selling Skills induction was conducted to standardize individual selling techniques and align with the lead strategy of Global Pharma.
Global Pharma also facilitated external training and certification for Six Sigma Black Belt and Power BI to strengthen the skills and expertise of employees and provided extensive Medico-Marketing training for newly onboarded members of the Sales Team in in UAE, KSA, Oman & Bahrain.
Various safety training and audits of the Integrated Quality and HSE system were done at Globalpharma ensuring robust internal system for workplace safety
Benefiting 30+ students, Globalpharma offered internship programs to nurture prospective pharmaceutical talent.
American University Dubai students spent a day at Globalpharma acquiring insights into the pharmaceutical industry.
‘The Pitch’, an immersive role-play training module aimed at mastering six essential selling steps was conducted at Emirates Glass for sales team.



Lastly, we also closely monitor the employee turnover at our organization and across subsidiaries. Employee turnover for 2023 year was at 12.74%, which is slightly above that of the previous year which was at 12.15%.





Human Rights

We are committed to establishing a work environment that upholds the human rights of every employee. We strive to ensure that the interactions between us and our stakeholders alongside our value chain partners align with both the essence and the specifics of regulations and laws in the regions where we conduct our operations.

We recognize that organizations face varying degrees of human rights risks, influenced by factors like industry, geography, and individual characteristics. Risks such as inadequate working conditions, low wages, and forced labour can result in supply chain disruptions, health and safety hazards, labour disputes, trade disruptions, and reputational damage. In order to mitigate human rights risks within our organization, we prioritize fostering collaborative dialogue. Actively engaging in discussions, we address pertinent human rights issues within our operations, serving as advocates for the interests of our long-term investor clients. Our focus lies in evaluating the effectiveness of human rights practices, particularly emphasizing robust governance in managing this business risk. .

To address these risks, we strive to ensure our procedures and controls across our value chain uphold the righteousness of human rights. This includes risk assessments, supply chain tracing, recruitment protocols, audits, and grievance mechanisms. We attempt to continually evaluate whether we have mechanisms to ensure our value chain partners comply with human rights policies and processes, particularly in high-risk areas. Additionally, we engage with stakeholders affected by human rights impacts, facilitating access to remedies.

Through proactive and effective management of human rights-related risks, we and our subsidiaries not only mitigate these risks but also seek opportunities to enhance relationships throughout our value chain. Our commitment to human rights underscores our dedication to responsible and ethical business practices, ensuring that our operations align with global standards and contribute to sustainable development.

Diversity, Equity and Inclusion

We take pride in fostering an organizational culture that promotes inclusivity and diversity within our workforce. The varied experiences, expertise, and perspectives within our team enhance our collective capabilities, equipping us to effectively tackle the challenges of the future. Embracing inclusivity ensures that every team member feels valued, empowering them to contribute their best to our collective success.

We believe that workplace diversity cultivates an environment conducive to engagement, alignment, innovation, and high performance. Our commitment to diversity and non-discrimination is reflected in our policies, ensuring a workplace free from bias across the company.

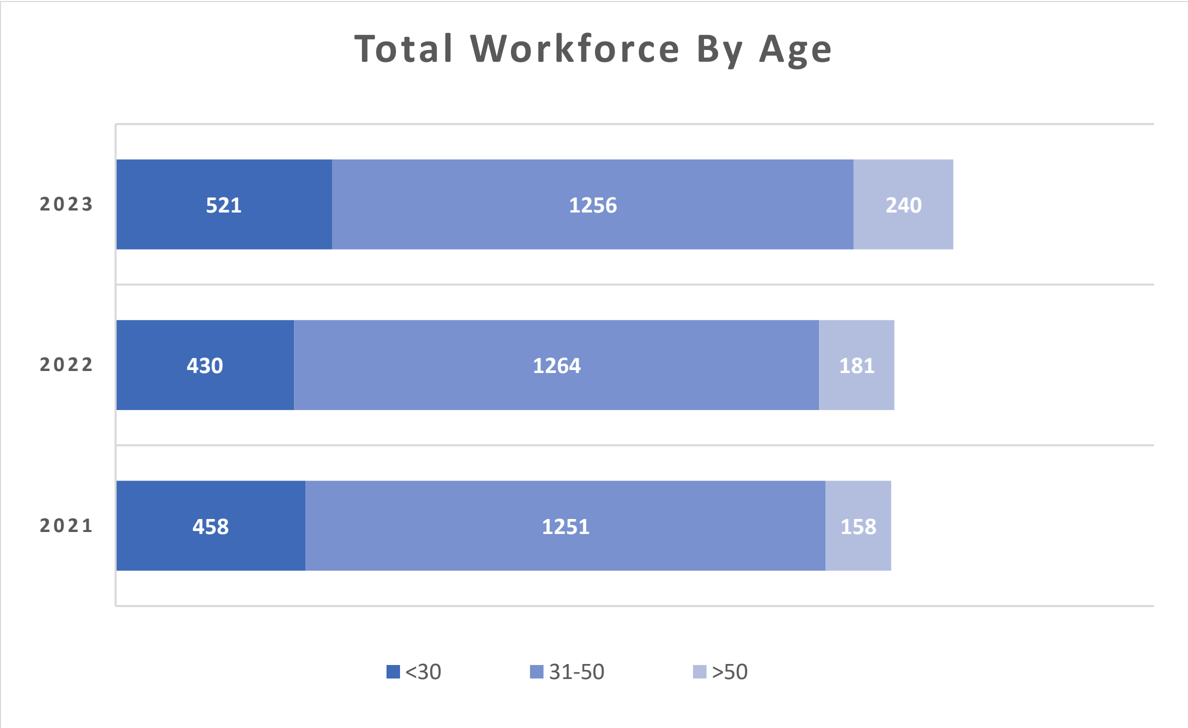
Our policies ensure a work environment that is free from any form of discrimination in terms of compensation, employee benefits, and training, irrespective of factors such as religion, caste, gender, disability, race, colour, marital status.. At the core of our efforts to enhance Diversity, Equity and Inclusion is the belief that a diverse workforce enriches discourse, encourages holistic perspectives, sparks creative solutions, and is fundamental to better serving our customers, thereby creating value for all stakeholders. We, along with our subsidiaries, are dedicated to advancing gender diversity and the inclusion of differently abled individuals in our workforce, and we stand ready to take supportive actions as needed to uphold workplace equity.

Dubai Investments celebrated International Women's Day on March 8th by highlighting its unwavering dedication to upholding the principles of gender diversity and inclusion. An interactive workshop was organized for female employees.

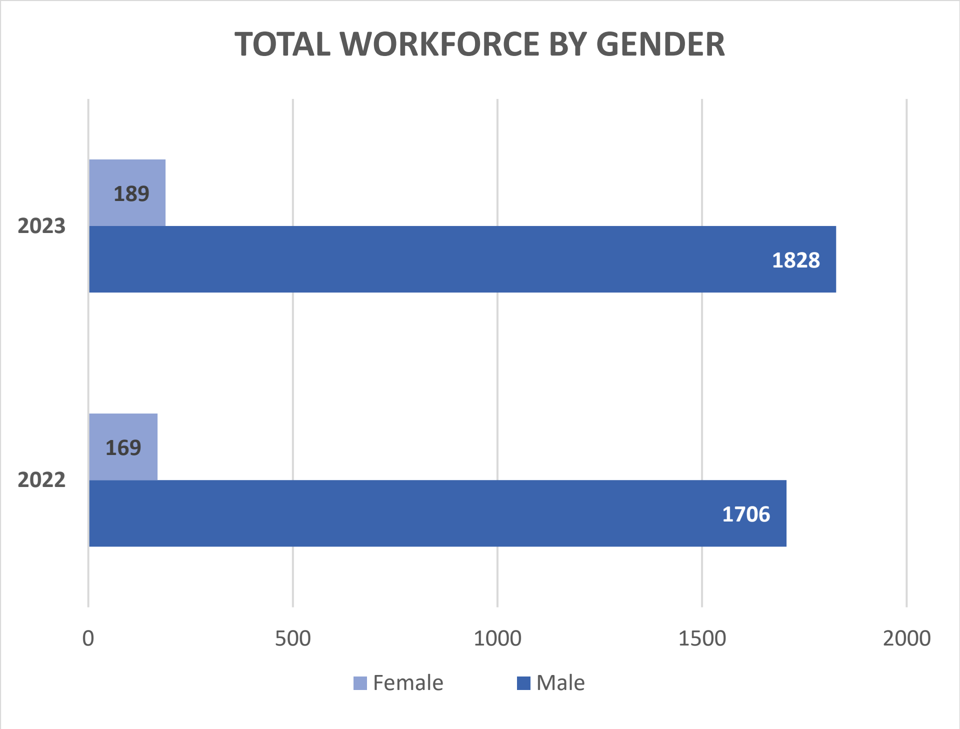
Globalpharma has recruited 26 female employees in the last three years as part of their consistent efforts towards gender diversity.

Our diverse age range of employees reflects our commitment to fostering an inclusive environment that appreciates individuals throughout their professional journey. Our workplace culture is enriched by a team of both genders, various age groups, contributing diverse experience, fresh perspectives, and innovative ideas. We also continue to maintain our focus at recruitment and retention of female employees throughout our workforce which currently remains comparable to our 2021 numbers.

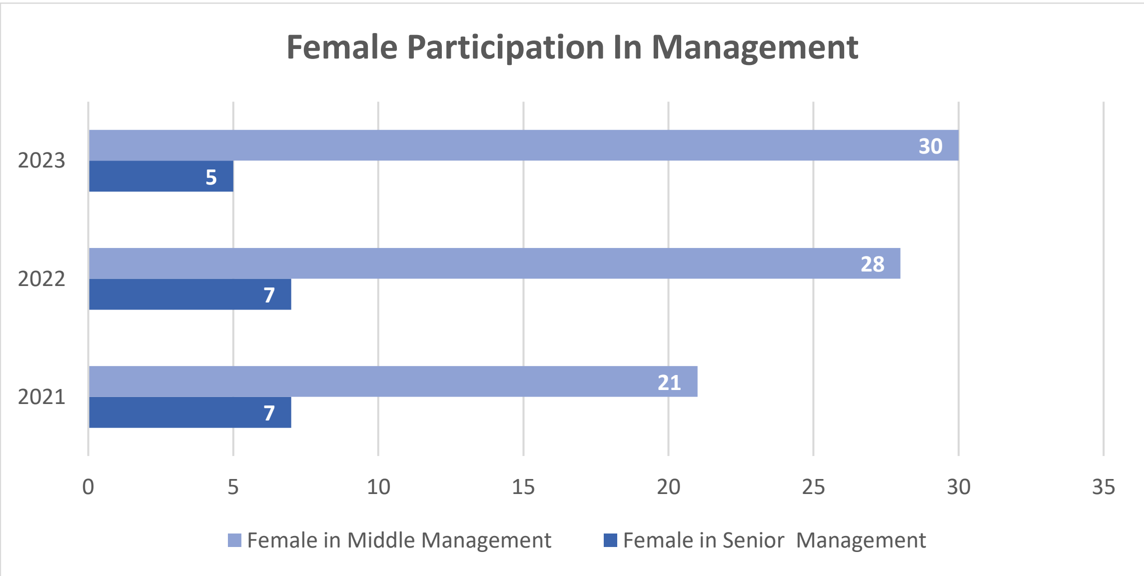
We are committed to cultivating a workplace that values women in leadership, harnessing diverse perspectives for informed decision-making. Our ongoing initiatives underscore our dedication to an inclusive corporate culture that fully utilizes the diverse talent within our organization. Finally, it is our endeavour to bring forth the diversity as a crucial measure of equilibrium within our workforce. The initiatives that we are implementing across the entire organization will be evident in our disclosures in the future.



'Workforce by Age' reporting does not include Part Time Employees.



'Workforce by Gender' reporting does not include Part Time Employees.



Occupational Health and Safety

We prioritise workplace safety and remain dedicated to identifying and mitigating potential hazards while effectively managing risks and opportunities for the prevention of work-related injuries, illnesses, property damage, and environmental harm. Our commitment is to uphold the most stringent standards of occupational health and safety (OHS) throughout all facets of our operations.

0 Employee Total Recordable Injuries	**0** Employee fatalities

Ensuring the safety and well-being of our employees is paramount at Dubai Investments. Our Occupational Health and Safety (OHS) policies are meticulously crafted to align with international best practices and regulatory standards, reflecting our commitment to maintaining a safe and secure working environment.

Our workplaces are designed with comprehensive protocols and practices to identify, assess, and mitigate potential risks. By implementing best practices, we take a proactive approach to safety, minimizing hazards and instilling a culture of responsibility among our workforces. Through reviews, we ensure the ongoing relevance and effectiveness of our protocols, fostering a culture of continuous improvement.

Investing in training and awareness programs is central to our approach. These initiatives empower employees with the knowledge and skills needed to identify hazards, adhere to safety protocols, and respond effectively in emergencies. Our subsidiaries are also committed to excellence in safety performance. In 2023, Emirates Glass conducted regular safety trainings, including toolbox talks and ergonomic training, to educate employees on safe practices and reduce the risk of musculoskeletal disorders. It also conducted extensive briefings on glass handling and safety for partners like Oryx Doors and Windows and Fibrex, emphasizing safety precautions and best practices. Additionally, internal initiatives, such as implementing wireless remotes in EOT cranes and enhancing mechanical exhaust systems, demonstrates the commitment which Emirates Glass puts to continuous improvement.

Similarly, Global Pharma endeavours to prioritize worker health by conducting occupational health surveillance and providing training to raise awareness about hazard prevention. Through these efforts, it aims to improve worker safety and well-being, ensuring a secure and healthy work environment for all employees.

Health and Safety	**2021**	**2022**	**2023**
Employee fatalities	0	0	0
Contractor fatalities	0	0	0
Employee lost-time injuries	14	11	0
Employee total recordable injuries	68	49	55
Total employee man-hours	3,334,760	3,629,514	3,158,034
Total contractor man-hours	636,268	543,623	1,365,157

Regular well-being initiatives, conducted through various channels, address a range of issues, and promote a healthy work-life balance. By investing in the welfare and development of our employees, we aim to create an environment where they feel valued, motivated, and empowered to excel. Some of the notable health and wellbeing initiatives that were undertaken in 2023 by us or our subsidiaries are:

Holistic Nutrition Webinar focusing on Diabetes & Hypertension for Dubai Investments
Qigong (an ancient Chinese health and wellness practice) Webinar hosted at Dubai Investments
Desktop Yoga Session at Dubai Investments
Comprehensive employee health checkups at GlobalPharma and Emicool
Flu vaccine day at Emirates Glass for vaccinations, educational sessions and raising awareness on preventive measures
Breast cancer awareness sessions during Pinktober for Emicool, Emirates Glass and Dubai Investments
Gym facility inaugurated at Emirates Glass focussing on post work revitalization and recreation.
Weekly checkups on blood pressure monitoring at Emirates Glass
Fitness Challenge, Eyeglass campaigns and Healthy Snacking initiatives at Emicool

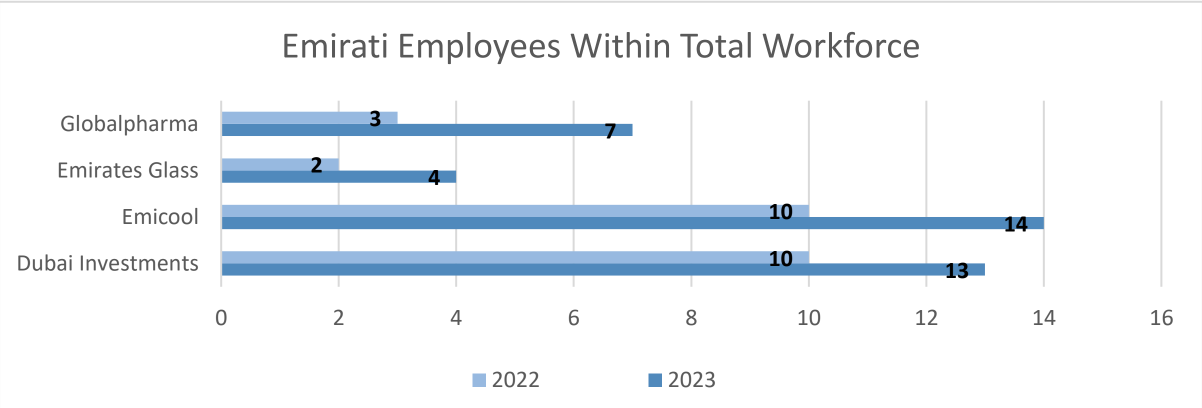
Elevating Occupational Safety at Globalpharma in Accordance with OSHA Standards

Globalpharma has instituted a comprehensive occupational safety program, aligning with the Occupational Safety and Health Administration (OSHA) guidelines. Notably, our annual mammogram check-ups specifically cater to the health requirements of our female employees. Rigorous Control of Substances Hazardous to Health (COSHH) risk assessments have been meticulously conducted to ensure the safety of quality control analysis during chemical handling for testing activities. Furthermore, Globalpharma's proactive approach extends to Health, Safety, and Environment (HSE) risk assessments for machines, areas, as well as activities across our site. Periodic Occupational Exposure Level (OEL) studies are conducted to prevent workers' exposure to powder dust during production activities, complemented by Occupational Exposure Banding (OEB) assessments for Active Pharmaceutical Ingredients (APIs) to ensure the efficacy of Personal Protective Equipment (PPE). Monthly checks on all supplied PPEs reaffirms our commitment to sustaining safe operations. This comprehensive suite of initiatives showcases Globalpharma's steadfast adherence to OSHA standards, prioritizing the health and safety of our workforce.

Emiratization

Emiratization refers to the hiring of citizens of the UAE and stands as a key focus for the government. The Emirati Talent Competitiveness programme 'NAFIS', spearheads national efforts to enhance Emiratisation within the private sector by implementing various initiatives.

Under NAFIS, the UAE plans to facilitate the employment Emiratis within the private sector from 2021 to 2025. Our subsidiaries are also aligning to this objective and come forth to track, monitor and report same. As we continue to make progress on Emiratization within the workforce, notable progress can also be seen amongst Globalpharma, Emirates Glass and Emicool who are marching forward in ensuring Emirati talent is brought in and retained within the workforce.



Our focus extends beyond mere employment, it encompasses the development and advancement of Emirati talent, ensuring that they play a pivotal role in the growth and success of various sectors within the country. Our primary areas of focus encompass a retention program tailored for UAE Nationals, the Masirati Development Program, and active engagement in career fairs. These include a deeper understanding of individual employee needs, centralizing the point of contact for all trainees at the group level, offering assistance and support in UAE Nationals' candidate selection criteria, monitoring trainee and new employee performance, and crafting and ensuring the execution of personalized development plans for each UAE National employee or trainee.

Our Initiatives

Dubai Investments

- Khalid Bin Kalban, Vice Chairman and CEO of Dubai Investments hosted a get-together for new Emirati employees facilitating open exchange of ideas and information.
- Organized the UAE Nationals Job Fair to encourage and support Emirati talent.
- Participated in Ru'ya Careers UAE Redefined 2023.
- Organized a training program to enhance skills and expertise of Emiratis
- Participated in UAE's National Service Career Fair.
- Participated in the Graduate Employment Day held at the HCT campus.

Emirates Glass

- Participated in the UAE Nationals Job Fair organized by Dubai Investments.
- Implemented internal and external training programs across various areas to prepare them for future leadership roles within the organization.

Globalpharma

- Emiratization project plan has achieved a significant milestone with the successful recruitment of 7 Emirati individuals.
- Organized an Emirati talent meeting to secure commitment for exceptional career advancement opportunities within our organization.

Volunteering Activities and Community Support

We are committed to making a difference in the communities where our employees live and work. Throughout the year, our employees actively participate in the company's philanthropic initiatives, contributing through volunteering, and collaborative efforts to amplify our collective impact. We firmly believe in leveraging our scale and expertise to enact positive transformations in the regions where we are present. In line with this commitment, we collaborate closely with local groups and associations to execute specific programs that prioritize the advancement of health, quality education, sustainable livelihoods, and environmental well-being. This collaborative and community-centric approach underscores our commitment to holistic community development and reflects our vision for a sustainable and prosperous future.

364

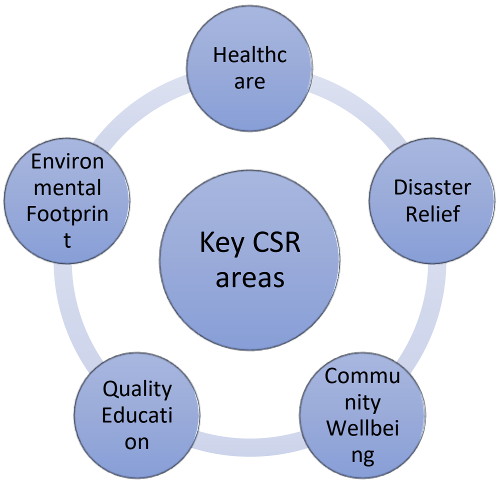
Employee hours volunteered.

AED 1.66 mn

Amount donated by the firm (AED)

Our Initiatives

Placing the community at the core of development and acknowledging its interconnectedness with the natural environment, Dubai Investments identifies Healthcare, Disaster Relief, Community Wellbeing, Quality Education and Environmental Footprint as priority areas for its CSR work.



Our Initiatives

Healthcare

- Dubai Investments Park and Berets MC collaborated to raise awareness on autism through **Autism Awareness Ride,** a bike riding event which attracted 560+bikers.

- Dubai Investments Park, in collaboration with FittGROUP, marked the **2023 World Bicycle Day** by organizing a 6km and 10km bike ride on the community cycling track on June 3rd.

- Dubai Investment
  - **Down syndrome awareness** campaign in schools was conducted through performances by ADWAR.
  - Sponsored two students from MyMaximus centre for **People of Determination** which provides vocational training to special needs youth.
  - Supported **treatment of children suffering from cancer** through the Cancer Centre of Lebanon.
  - **Sponsored a student of determination** at Al Noor Centre.
  - Supported the Awladouna Centre with a **sponsorship for speech therapy.**
  - **Supported radiology treatment of a breast cancer patient** during the Breast Cancer Awareness Month.
  - Supported **research and treatment equipment procurement** at UAE Genetic Diseases Association
  - **Sponsored Dubai Autism Centre's awareness campaign**.

Environmental Footprint

- Dubai Investment
  - Celebrated the Earth Day on April 22nd under theme**, ‘Act, Innovate, and Implement’**.
  - Marked World Environment Day on June 5th by creating **awareness about plastic pollution and distributing planting kits**. Dubai Investments employees pledged their support to sustainable causes.
  - **Installed Electric Vehicle chargers** in the Headquarter building to encourage sustainable transportation and the use of clean energy.
  - **Green Run**, a community event which focuses on fitness, health and environment awareness was successfully conducted with participation of **3000 people** from over **50 corporates** and **20 vendors** who were present in the Green Village.
  - Employees participated in **Clean UAE campaign** organized in Dubai and Abu Dhabi by Emirates Environment Group.

Disaster Relief

- Globalpharma
  - In collaboration with Emirates Red Crescent, supp**lied 144,000+ packs of essential medicines for earthquake relief** in Turkey and Syria, aligning with UAE's crisis response.

Community Wellbeing

Dubai Investments teamed with The Big Heart Foundation during this Ramadan. Gave children the opportunity to choose their own special Eid outfits and made the festive season meaningful for these young ones.

- Dubai Investments
  - Collaborated with RTA (Roads and Transport Authority) to **distribute iftar meals** to taxi drivers, reflecting the true spirit of the holy month of Ramadan.
  - **Supported the 1 billion Meal initiative of HH Sheikh Mohammed bin Rashid Al Maktoum** to provide food aid to vulnerable communities in 50 countries outside the UAE.
  - **Supported the Ramadan initiatives of the Beit Al Khair association** by distributing Iftar meals in the labour accommodations in Dubai Investments Park.
  - Over 100 employees **participated in the Dubai Investments Charity Steps Challenge** held in Dubai during the 30x30 fitness month.
  - "**Smile on the Face" initiative**, aiming to provide meals and necessity-filled smile bags to blue-collar workers in Dubai Investments Park.

Quality Education

- Dubai Investments
  - **Launched second edition of Dubai Investments Youth Leadership program** for school children aged 15-17 to cultivate leadership skills in young adults.
  - **Sponsored education of a child with Down Syndrome** at Rashid Centre

- **Supported school fee of children** from low-income families from Al Ansar School and Abu Obaida Bin Aljara Private School and Dubai Investments **sponsored education of a child of determination** at Rashid Centre

Built on Accountability, Governed by Integrity

Our Focus Areas

- Ethical Governance and ESG Oversight
- Enterprise Risk Management
- Business Ethics and Code of Conduct
- Grievances Redressal
- Remuneration

Dubai Investments prioritizes strong governance, emphasizing stakeholder welfare and success through ethical business principles. The Board, with nine (9) members, maintains ethical conduct and diverse expertise, shaping effective leadership. The ethical principles prioritize employee accountability, alongside clear reporting requirements and supplier standards, all forming a solid foundation for Dubai Investments' success built on trust. We take measures to ensure that our governance practices instill trust and establish a robust foundation for success.

Ethical Governance and ESG Oversight

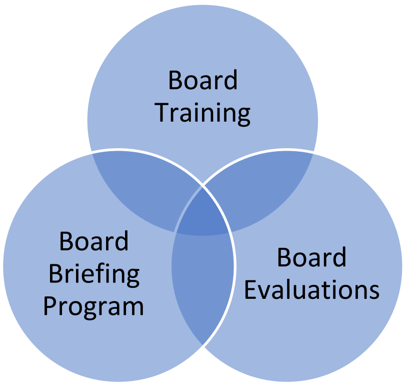
Our commitment to robust corporate governance practices ensures the well-being of our diverse stakeholders. With the use of strong governance framework within Dubai Investments we constantly aim at promoting effective management and instil a culture of responsibility regarding ESG matters.

BOARD OF DIRECTORS	2021	2022	2023
% of Board seats occupied by women	0%	0%	11.11%
Percentage of Board seats occupied by independent directors	85.71%	85.71%	55.55%
Executive members of the Board of Directors	1	1	1
Non-executive members of the Board of Directors	6	6	8
Female members of the Board of Directors	0	0	1
Male members of the Board of Directors	7	7	8
Independent members of the Board of Directors	6	6	5
Non-independent members of the Board of Directors	1	1	4

Empowering Change: Welcoming our First Women Board of Director.

In a significant milestone in Dubai Investments' journey, we elected our first female board member, Ms. Hind Abdulrahman Qassim Mohammad Al Ali in 2023. Her rich experience and expertise in the industrial sector and extensive knowledge on supply value chain, business development, mergers and acquisitions and asset management bring a valuable and unique perspective to our board discussions and decision-making processes. Her leadership qualities and commitment to driving positive change align perfectly with our company's values and vision for the future. She also serves on the Board and the Audit Committee of National General Insurance Company PJSC, and the Board of EGA Singapore. She is also Director in charge of sales and sourcing of bauxite and alumina at Emirates Global Aluminium. She holds a bachelor's degree in finance from Zayed University.

Our subsidiaries staunchly uphold a foundation of unwavering ethical conduct, fostering an unyielding commitment to elevated ethical standards across all operations. Our proficient Board of Directors, with expertise spanning pharmaceuticals, manufacturing, finance, investment, private equity, and real estate, plays a pivotal role in maintaining robust corporate governance standards. This diverse knowledge within the board contributes to effective leadership, strategic direction, and unbiased perspectives that positively impact Dubai Investments' management.



Our Board Oversight framework, comprising Board Training, Board Briefing Program, and Board Evaluations, stands as our guiderails to deliver overall governance excellence. The targeted programs in strategic leadership, planning, and sector-specific enhancements offered through Board Training ensure a comprehensive approach to skill development. Active participation in Hawkamah's mandatory Board of Directors Briefing Program enhances governance awareness and practices, further solidifying our commitment to industry best practices.

The Board Evaluations are aimed at optimizing the board's functionality and performance, fostering meaningful dialogue, and encouraging reflection among members. Beyond mere procedural adherence, this multifaceted approach actively contributes to the continual enhancement of governance practices within Dubai Investments.

Our Board has established five committees to fortify its duties in line with legal requirements, regulations, and best corporate governance practices. These committees play a crucial role in supporting the Board's responsibilities, ensuring accuracy in financial statements, overseeing risk management, guiding appointments, and supervising sustainability strategies.

- Audit Committee
- Nomination & Rewards Committee
- Risk Management Committee
- Investment Committee
- Management and Supervision of Insider Trading Committee

The Audit Committee, as one of the pivotal committees, is entrusted with overseeing the accuracy of the Group's financial statements and associated disclosures. It ensures the independence and efficiency of both internal and external audit procedures.

The Nomination & Rewards Committee is responsible for verifying the independence of the board members, evaluating and approving the human resources policies, reviewing the Board's self-evaluation and assessing the policy for remuneration and benefits for Dubai Investments' board of directors and executive management.

The Risk Management Committee is dedicated to guiding the Board on high-level risk matters, risk governance, current and future risk exposures, and risk management. This committee is paramount in ensuring that risk management aligns with the company's strategic objectives and safeguards its long-term sustainability.

The Investment Committee, another integral component, examines every facet, including non-financial elements, of the investment case. This committee plays a key role in evaluating investment opportunities, ensuring alignment with the company's strategic goals, and optimizing the return on investments.

This Committee for Management and Supervision of Insider Trading is responsible for maintaining a comprehensive register for all insiders and submitting statements and reports for the market.

Additionally, we have also constituted a Sustainability Committee at our organization. The committee is comprised of senior management from various business sectors and is supported by Sustainability Champions who are identified across various departments and subsidiaries. The committee formulates action plans and regularly evaluates our sustainability plan, emphasizing our commitment to addressing climate change and ESG concerns.

Overall, we are resolute in utilizing robust governance structures to promote effective management and instil a culture of accountability, particularly in matters related to ESG concerns. Our commitment to addressing climate change, our participation in COP 28, and our multifaceted governance approach all contribute to our position as a stalwart in ethical conduct, corporate governance, and sustainable business practices.

Enterprise Risk Management

The Board of Directors holds an ultimate responsibility for creating and supervising the Group's risk management framework. A Risk Committee, established by the Board, is tasked with formulating, and overseeing the Group's risk management policies and processes.

Our robust Enterprise Risk Management (ERM) framework is a cornerstone of our corporate oversight, actively engaged by the Board of Directors. In the identification phase, we meticulously commission and scrutinize reports on significant risk matters, ensuring independence. The Group Internal Audit department validates the accuracy of the Group Risk Function (GRF) in the access

Remuneration

We are deeply invested in the happiness and satisfaction of our employees and our remuneration practices are designed to recognize and reward excellence while ensuring fairness and equity.

Our commitment to fostering a transparent and equitable work environment extends to our comprehensive approach to employee compensation. We prioritize creating a workplace where employees clearly understand the value of their contributions to the company's success. Our commitment to maintaining a responsible gender pay ratio and equal opportunities reflects our dedication to addressing income disparities and fostering a sense of shared success among our diverse workforces.

Regular and systematic reviews are integral to our compensation philosophy, ensuring that our pay practices align with industry standards. Furthermore, our dedication to fairness extends beyond internal benchmarks. We conduct extensive market analyses to ensure that our compensation practices remain competitive not only within our industry but also across different regions, job levels, and functions. We recognize that a well-structured compensation system is not only a reflection of our values but also a strategic investment in our most valuable asset – our people.