INTEGRATED ANNUAL REPORT 2021

EMAAR PROPERTIES PJSC

At Emaar, we believe in shaping cities to suit the evolving needs of society, and in being responsible to our environment all the time.

We also believe in continuously attaining robust standards of corporate governance, and in delivering superior returns to our stakeholders.

What's Inside

to view this Integrated Report online, visit: **https://www.emaar.com/**

About this Report

Emaar Properties PJSC recognises that transparent reporting of our performance, strategy and challenges is a critical part of our responsibility towards all our stakeholders. We believe that full and transparent reporting lifts our performance. By adopting the best global frameworks, we strive to set a high business standard at the Company. Through this report, we provide an extensive outline of the Company's holistic approach towards the development of the economy. The report further gives an understanding of how it is creating value through its strategy, governance, performance, and opportunities.

Integrated Reporting & Scope

This is the first Integrated Annual Report of Emaar Properties PJSC. We have prepared the Integrated Report for 2021 with reference to the International Integrated Reporting Council's (IIRC) International Integrated Reporting Framework. We understand that the Integrated Report framework provides a useful basis for disclosing how we create sustainable value for our stakeholders. This Report is our value creation story. We aim to present a holistic review of how we performed in 2021 and our roadmap for the future. We place emphasis on what matters most to our stakeholders and our business and explain how we identify and address material issues through our Materiality Report. To provide business context, we outline our strategic pillars and explain how they influence our business presence and business segments. With a well-defined business model, we illustrate how we create long-term value for our stakeholders while recording consistent organisational growth.

Materiality

A matter is considered material if management and those charged with governance believe it could significantly impact the value created and delivered in the short, medium and long term. Furthermore, we capture feedback through engagement and research conducted from time to time from key external stakeholders including investors, analysts, and other relevant groups. The outcomes of these processes are detailed on pages 24 to 35 under "Materiality Report".

Reporting Ecosystem

Our reporting ecosystem provides information about the organisation and its key financial and operational achievements including:

- The Integrated Annual Report: Features information about Emaar Properties PJSC, our strategy, integrated financial and operational performance, corporate governance, directors' report and financial statements.
- Quarterly Results Presentation: The current reporting period's financial results and detailed segment information for projects including major real estate projects, investments, and pipeline of masterplans.
- https://www.emaar.com/: Includes additional information on sustainability reporting, corporate governance and historical financial information.

https://www.emaar.com/

Reporting Period

The Integrated Annual Report for Emaar Properties PJSC is produced and published annually. This report provides information for the financial year January 1, 2021 to December 31, 2021.

Reporting Structure

The financial and statutory data presented in the Report is in accordance with International Financial Reporting Standards (IFRS). The non-financial data in the Report is guided by the IIRC framework.

Forward-Looking Statements

Certain information set forth in this report contains "forward-looking information", including "future-oriented financial information" and "financial outlook", under applicable securities laws (collectively referred to herein as forward-looking statements). Except for statements of historical fact, the information contained herein may constitute some forward-looking statements. Such forward-looking statements are provided to allow potential investors the opportunity to understand management's beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment.

These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements.

Although forward-looking statements contained in this report are based upon what management of the Company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

How to use this Report

The following icons have been used throughout the report to link relevant issues and illustrate how we create value.

Our Focus Areas

- Focus Area 1: Health and Safety
- Focus Area 2: Financial Capital
- Focus Area 3: Our Customers
- Focus Area 4: Our People
- Focus Area 5: Sustainability

Our Strategic Pillars

- Pillar 1: Forefront of Shaping Cities
- Pillar 2: Creating the best places
- Pillar 3: Operational excellence
- Pillar 4: Strong future pipeline
- Pillar 5: Attaining ESG distinction

UN SDGs

Material Aspects

Our responses to highly material aspects: 24 to 35 under "Materiality Report".

Chairman's Message

Our number one strategic pillar is to be at the Forefront of Shaping Cities, intrinsically shaping a city's economy and the way people live, work and play.

Jamal Bin Theniyah
Chairman

Dear Stakeholders,

The United Arab Emirates (UAE) has been globally recognised for running one of the best campaigns to counter the COVID-19 disruption and has become a model for other countries to emulate. I would like to thank His Highness Sheikh Mohammed Bin Rashid Al Maktoum, and the UAE Government for taking bold steps in protecting the people of the UAE and its economy through the various decisive and timely initiatives taken. Thanks to these efforts, the UAE is exhibiting a strong rebound with a bright future ahead.

2021 saw the continuation of the Covid-19 fallout led by new variants with varying health impacts. At the same time, aggressive vaccination of population in the UAE and across our key international markets meant that respective economies could revert back to operations with less restrictions, ensuring that the economic predicament from the early waves in 2020 that impacted economies, operations, and livelihoods worldwide, were less intense and better managed. Much credit goes to round the clock efforts of front-line healthcare workers worldwide.

Throughout the period, we persisted with our various responses and initiatives to take preventative and screening measures to ensure the health and safety of our employees, contractors, residents, and visitors. In these extraordinary last two years, I have been immensely proud of the way our people have teamed up together to support our customers, our communities and each other.

The pandemic acted as a catalyst for the growth of online shopping and more flexible working. At Emaar, we have responded to these trends with agility, offering more flexible working environments to our people and permeating digital transformation across more functions within our business. We also stepped up our omnichannel platforms to better serve many shoppers who are increasingly preferring to shop online. It is also heartening to see footfall to our various malls and outlets during 2021 significantly improving and by the end of 2021 reverting back to pre-pandemic levels - a great indicator and testimony to the resilience and future of the physical and experiential format for shopping, dining and entertainment.

UAE's ESG vision and Emaar

In recent years, the UAE has deployed extensive efforts towards driving sustainability forward in the country under the framework of the UAE Vision 2021, Dubai 2040 Urban Master Plan, and in alignment with the UAE Green Agenda 2015-2030, the Paris Agreement and the UN Sustainable Development Goals ("SDGs"). The UAE government regards climate change as a great concern and in line with this they have extended their efforts through their global participation and internal policies, placing themselves among regional leaders in climate action over the past decade.

As the largest integrated real estate developer in the region, Emaar has been in sync with the UAE Vision 2021 towards making the UAE one of the world's best countries. Our number one strategic pillar is to be at the **Forefront of Shaping Cities**, in which we develop and operate outstanding urban centers and neighborhoods which deliver positive economic outcomes for all our stakeholders on a sustainable basis, intrinsically shaping a city's economy and the way people live, work and play. Going forward, we intend to realise the full potential of our existing and new masterplans through the development of high quality and sustainable buildings, and by aligning our value proposition that will appeal to tomorrow's businesses and workers.

This also ties into another one of our key strategic pillars, and that is for **Attaining ESG distinction**. Building on our track record of multiple initiatives on the environment, social and governance areas, we are establishing new goals to accelerate our progress and are in the process of setting new short and long-term targets. We are instilling sustainability as basic hygiene practice in which each of us are environmentally and socially discerning, as well as making sound financial sense. Through our new strategies, we aim to take our whole portfolio to net zero carbon over time in line with UAE's Net Zero 2050 strategic initiative, and keep growing social value and wellbeing in the communities where we operate. While concentrating on these areas, we intend to maintain strong performance on social and environmental priorities, in line with our purpose and values.

Customer Centricity by Design

At Emaar, we are applying our mastery to create spaces that people single out to spend their lifetime. We are designing our buildings as solutions for problems by focusing on the needs, contexts, behaviours, and emotions of people from all sections of the society. This means that our spaces are intrinsic places for people to come together, and where connected spaces create an experience. The last two years have transformed the way we live, work, and play. Residences need to be multipurpose and conducive to working and studying, while offices need to be adaptive to accommodate safe distancing requirements. To cater to various needs under the new norm, we have been designing our new spaces with greater wellness and flexibility in mind. Our record sales of residences and high occupancy rates in our offices, hotels and malls in 2021 are testimony to the fact that customers find our products appealing to their needs and requirements. Going forward, we intend to stay highly relevant to current trends in what residents and visitors want.

Appreciation

Emaar has proven its ability to address near-term challenges and opportunities following the COVID-19 crisis. We are constantly refining our strategy, reinforcing our frameworks and future-proofing our business. I am confident that our balance sheet strength and our people's resolve will keep us in good stead for any new headwinds that might arise. On behalf of the Board, I wish to express our heartfelt gratitude to our shareholders, customers, business associates and partners for your unwavering support. We are also thankful to our Board of Directors for their invaluable guidance and counsel.

Jamal Bin Theniyah
Chairman

Managing Director's Message

I am enormously proud of the resilient performance the team delivered, and the strong progress we have made across all our various businesses.

Mohamed Ali Alabbar
Managing Director
Emaar Properties PJSC

Dear Shareholders,

Our Rulers and the Government have shown great foresight and perseverance in tackling the fight against the pandemic, giving all of the UAE's citizens and residents a chance to navigate successfully to where we are today, with minimal restrictions and maximum vaccinations. Even though we must all be vigilant still, their early decisiveness gave us all the ability to return to a sense of normalcy today, living life as routinely as possible. This was essential not only for our healths, but for the continued development of the dream called the United Arab Emirates.

To our employees and shareholders, your tireless efforts and trust amid the challenges of COVID-19 while executing our strategic initiatives helped Emaar to overcome unprecedented global turbulence and fortified our foundations for sustained growth in the years ahead. Thank you for supporting us during this demanding period.

Consolidated Performance for 2021

Our record performance for 2021 comes despite the ongoing global impact of Covid-19. In fact, 2021 has turned out to be an extraordinary year. I am enormously proud of the resilient performance the team delivered, and the strong progress we have made across all our various businesses. Building on this, we are well on track on executing our strategic pillars as spelt out later in this annual report (page 36), exploiting our strengths in masterplan-based development, operational excellence, attaining ESG distinction and investing behind our already deep pipeline for the future.

Our Consolidated Revenue for the year under review grew by 57% YoY, posting the highest ever revenue registered by the Company since we commenced business in 1997, recording a solid AED 28.270 billion (US$ 7.697 billion). This unprecedented performance was attributable to a combination of a strong real estate market across most of our key markets and a strong rebound in the Company's recurring revenues from its shopping malls, retail and hospitality businesses.

Our Consolidated EBITDA increased by 76% on the back of record Revenues and prudent spending. This increase in EBITDA was further supported by higher share of profit from Emaar's associates. We reported a Net Profit of AED 3.800 billion (US$ 1.035 billion) for 2021, compared to the net profit of AED 2.109 billion (US$ 574 million) in 2020, registering a YoY growth of 80%.

This record feat was achieved by clocking AED 27.517 billion (US$ 7.492 billion) in domestic property sales for 2021, a sharp growth of 335% over 2020; and by registering overall highest property sales of AED 33.762 billion (US$ 9.192 billion) (inclusive of sales related to non-consolidated JVs & Joint Development Agreements) in 2021, more than 3 times sales of 2020. At the same time, our recurring businesses contributed 27% to Group's revenues, while their contribution to Group's EBITDA was 50% for 2021.

During 2021, our subsidiary Emaar Development PJSC, the UAE build-to-sell property development business, achieved its highest ever property sales with an increase of 335% to AED 27.440 billion (US$ 7.471 billion) (inclusive of sales related to non-consolidated JVs & JDA) compared to 2020, propelled by strong rebound in the real estate market in Dubai. Net Profit of Emaar Development increased by 96% in 2021 to AED 3.244 billion (US$ 883 million), as compared to AED 1.657 billion (US$ 451 million) in 2020.

Revenue from our Malls business increased by 42% YoY from AED 3.507 billion (US$ 955 million) in 2020 to AED 4.988 billion (US$ 1.358 billion) in 2021, thanks to an overall recovery of tenants sales across our assets and incremental sales contribution from Namshi, an e-commerce business of Emaar Malls Management LLC. Net Profit increased by 160% in 2021 to AED 1.832 billion (US$ 499 million), as compared to 2020.

Revenue of the Hospitality business increased by 74% YoY from AED 819 million (USD 223 million) in 2020 to AED 1.427 billion (US$ 389 million) in 2021, thanks to an overall rebound in the travel and hospitality industry of Dubai supported by strong domestic staycation trend. Our hotels recorded average occupancy of 66% in UAE with significant growth in Average Daily Rate (ADR) compared to 2020. Net profit from hospitality business increased significantly by 211% reaching AED 235 million (US$ 64 million), as compared to 2020.

Revenue from our Entertainment, Commercial Leasing & Other business grew by 44% YoY from AED 801 million (US$ 218 million) in 2020 to AED 1.157 billion (US$ 315 million) in 2021, thanks to an increase in the footfall.

Delisting and merger of Emaar Malls PJSC

During 2021, we further strengthened our finances through a timely fund raise and I am pleased to inform you that Emaar is well positioned for the opportunities that lie ahead. We took two significant steps to bolster our balance sheet and become more capital efficient overall. Firstly, we raised US$ 500 million (AED 1.837 billion) through the sale of Islamic Sukuks in July priced at 3.7% yield. The issue was successfully oversubscribed by investors, reflecting their immense confidence in our Company. Secondly, we delisted Emaar Malls PJSC and subsequently

Managing Director's Message

reorganized it as a wholly owned subsidiary of Emaar Properties PJSC under a new entity called Emaar Malls Management LLC. Under a common more strengthened balance sheet, the malls unit will continue to develop the Company's portfolio of retail assets - its core specialty area, while Emaar Properties with its multiple real estate interests will remain listed on the Dubai Financial Market. This strength will allow Emaar to better capture future opportunities in the marketplace and drive better shareholder value.

ESG and Aligning to SDGs

In 2021, we took initial steps to establish our Sustainability Strategy. This will include establishing a strategy for reducing embodied carbon and external commitments; developing the action plan for further reducing operational carbon; exploring greater use of recycled materials and alternatives; and strengthening our governance framework to prioritise and monitor ESG. We also intend to work towards being net zero carbon, in line with UAE's Net Zero 2050 strategic initiative making the Emirates the first MENA nation to do so, and to support local communities on the key issues they face. Moreover, UAE became the first OPEC country to announce a net zero goal at the COP26, the 26th United Nations Climate Change Conference in Glasgow held last year. As a major realty player within the region, Emaar is keen to contribute towards the nation's stated net zero goals.

We recognise the opportunity to advance the SDGs and this year's integrated annual report demonstrates our dedication to the important objectives embodied in the SDGs.

In the meantime, we have crossed several initial milestones in our drive for ESG distinction as mentioned in our first Sustainability Report published for 2020. We are also championing responsible employment, promoting diversity and inclusion, and Integrating wellbeing within our workforce (see our chapter on Human Capital page 60). I am sure that in the coming years, we shall make creditable strides in our various ESG metrics and carbon reduction goals.

As a large format, masterplan-based city developer, we have a responsibility to contribute to the development of our host countries and have a significant role to play in the achievement of the Sustainable Development Goals (SDGs). At Emaar, we recognise the opportunity to advance the SDGs and this year's integrated annual report demonstrates our dedication to the important objectives embodied in the SDGs. (See our Key SDGs that we are aligned in line with the most material aspects of interest to stakeholders - page 52.)

Operational Excellence

Operational excellence is a key pillar behind our success. In 2021, given the extenuating circumstances surrounding the pandemic, this was particularly true. We have worked well to operate our businesses efficiently and smoothly, with strong market insights that helped us in driving enduring demand for our businesses. Our expertise across asset management and sustainability enabled us to navigate a challenging year and pursue growth and value opportunities. Our excellent financial performance is evidence of this business outcome. Much credit needs to be given to our highly experienced workforce, working with strong systems, expertise and passion. They have done a top-notch job in proactively managing our properties and infrastructure to keep our facilities up and running efficiently for the long-term success of our organisation. I invite you to read more about our Operational Excellence as a Strategic Pillar of Emaar on page 44.

I am confident of Emaar's financial position to sustain strong revenue, profitability, and shareholders' return for the foreseeable future.

Outlook

While regional global conflicts and oil prices volatility are a cause for concern with their impact on global growth, we remain optimistic about the medium and long-term business prospects of our Company. We are encouraged by the strong rebound we are seeing in demand for property sales as well as footfall and sales in our malls, which are now in line with pre-pandemic levels. Although it is early days, economic indicators are positive, and we are hopeful that we are starting to emerge from the pandemic with the worst behind us. With a clear roadmap, confidence has strengthened and the UAE economic forecasts for 2022 looks promising.

However, we are very mindful that the trajectory for this pandemic is highly uncertain with risk from future variants. We will also need to be watchful for the global fallout from the ensuing Eastern European conflict and soaring oil prices. Therefore, we take comfort from knowing that we are protected by the strength of our balance sheet and our resilient performance during 2021. Our portfolio of prime, highly sustainable assets is set to continue to benefit from the fundamental shifts occurring within the real estate market as well as the Company's approach to portfolio optimisation. Today, Emaar has a substantial development pipeline and land bank in each of our markets, which leaves us well-positioned to successfully deliver attractive, sustainable returns for all stakeholders. With a resilient revenue backlog from property sales of AED 46.057 billion (US$ 12.539 billion) (inclusive of sales related to non-consolidated JVs & JDA), and a resurgent recurring revenue operation, Emaar has strong revenue visibility. I am confident of Emaar's financial position to sustain strong revenue, profitability, and shareholders' return for the foreseeable future.

Closing

In closing I would like to underscore that, going forward, the way we think about sustainability and ESG has to change fundamentally. For us, it must become part of our normal business process. This means ensuring that every decision taken by each of us at Emaar every day is environmentally and socially intelligent, as well as making sound financial sense.

We look forward to engaging with all our stakeholders in this journey and do not hesitate to contact any of us should you have suggestions, questions, comments or ideas you wish to share.

Sincerely,

Mohamed Ali Alabbar
Managing Director
Emaar Properties PJSC

Section 1

Highlights

Financial

62%
YoY growth in Return on equity attributable to owners of the company

79%
YoY growth in Earnings per Share

1.1
Net Debt / EBITDA attained by 31st December 2021

58%
YoY growth in Market Capitalisation, which reached c. AED 40 Bn as on 31st December 2021

Environment

9.5%
decrease in CO_2 emissions from Electricity Consumption

5.4%
decrease in CO_2 emissions from Cooling

c.2.4 Mw
Renewable Energy Capacity in 2021

63.4%
Waste Segragation achieved

Society

c. AED 3.6 MN
Donated through our partnership with the Community Development Authority

>16,300 hours
Invested in training and developing our people

15.4 %
Leadership Positions held by Women

ISO 9001
Achieved accreditation to the ISO 9001 standard in 2021 for our Quality Management System (QMS)

Governance

Sustainability Report
Published our first Sustainability Report for 2020

Integrated Report
Published our first Integrated Report for 2021

Risk Management
Strong Risk Management Framework
(read Risk Management on page 102)

Corporate Governance
Strong Corporate Governance Framework
(read Corporate Governance Report on pages 104-133)

Company Overview

Emaar Properties PJSC (DFM: EMAAR) is one of the world's most valuable and admired lifestyle developers. We create value through property investment and development, shopping malls, retail centres, hospitality, and property management services, and have a market capitalisation of approximately ~AED 40 billion (31st Dec. 2021).

At Emaar Properties, our Corporate Purpose is to be the most admired realty group globally, that transforms the lives of its occupiers. Sustainability is a key driver in our commitment to creating the best communities for people to live, work, and play.

Our portfolio of assets is focused in transit-oriented urban and high-density suburban locations that are an excellent fit for our sustainability efforts.

EMAAR

CREATOR OF WORLD-RENOWNED ARCHITECTURES

BURJ KHALIFA

Tallest building in the world

THE DUBAI MALL

Most visited mall in the world

THE DUBAI FOUNTAIN

World's tallest choreographed musical fountain

PROVEN EXECUTION IN UAE & INTERNATIONAL MARKETS

> 81,600 units

more than 81,600 residential units delivered in Dubai and international markets since 2002

STRONG REVENUE VISIBILITY

AED 46.1 Bn globally

Robust revenue backlog from property sales

27% Recurring Revenue

Comes from malls, hospitality, leisure, entertainment, and commercial leasing

c. 45%

The percentage of Emaar's total revenue derived from its shopping malls & retail, hospitality & leisure, and international subsidiaries.

Group Structure

EMAAR PROPERTIES PJSC (3)

DOMESTIC REAL ESTATE

- EMAAR DEVELOPMENT PJSC (3) (80%)
- EMAAR BAWADI (5) (50%)
- DUBAI HILLS ESTATE (1) (50%)
- MIRAGE LEISURE & DEVELOPMENT (100%)
- EMAAR DUBAI SOUTH DWC (1 & 5) (50%)
- DWTC EMAAR LLC (5) (50%)
- ZABEEL SQUARE (1 & 5) (50%)
- TURNER INTERNATIONAL ME (5) (65%)
- MINA RASHID (1& 7) (100%)

INTERNATIONAL

- EME, KSA (100%)
- EEC, KSA (5 & 6) (22.95%)
- EGYPT (4) (88.74%)
- EMAAR INDIA (77%) & EMAAR AMC JV (74%)
- EMAAR LEBANON (65%)
- EMAAR TURKEY (100%)
- EMAAR MOROCCO (100%)
- EKO TEMALI (5) (50%)
- EMAAR AMERICA (100%)
- EMAAR PAKISTAN EGKL & EDIL (100%)
- EMAAR IGO SYRIA (60%)
- EMAAR JORDAN (100%)
- DEAD SEA TOURISM (5) (29.33%)

MALLS

- EMAAR MALL (100%)
- NAMSHI (100%)

HOSPITALITY

- EMAAR HOSPITALITY GROUP (100%)
- EMAAR HOTELS & RESORTS (100%)
- ROVE HOTELS (50%)

GROUP OPERATIONS

- EMAAR DISTRICT COOLING (100%)
- EMAAR ASSET MANAGEMENT (100%)

LEISURE & ENTERTAINMENT

- AT THE TOP (100%)
- EMAAR ENTERTAINMENT (100%)
- DUBAI OPERA (100%)

OTHERS

- HAMPTONS MENA (100%)
- AMLAK (3 & 5) (48.1%)
- EMAAR INDUSTRIES & INVESTMENTS (5) (40%)
- EMRILL (5) (50%)

Listed Companies: EMAAR DEVELOPMENT PJSC, EEC, KSA, EGYPT, AMLAK

Notes:

(1) Only built to sell projects are held by Emaar Development and JV partners. Build to lease and operate (BTL/BTO) projects are directly held by Emaar Properties PJSC, its subsidiaries and JV partners.

(2) Dubai Creek Harbour is a joint development agreement hence not included in above structure.

(3) Listed on DFM.

(4) Listed on EGX.

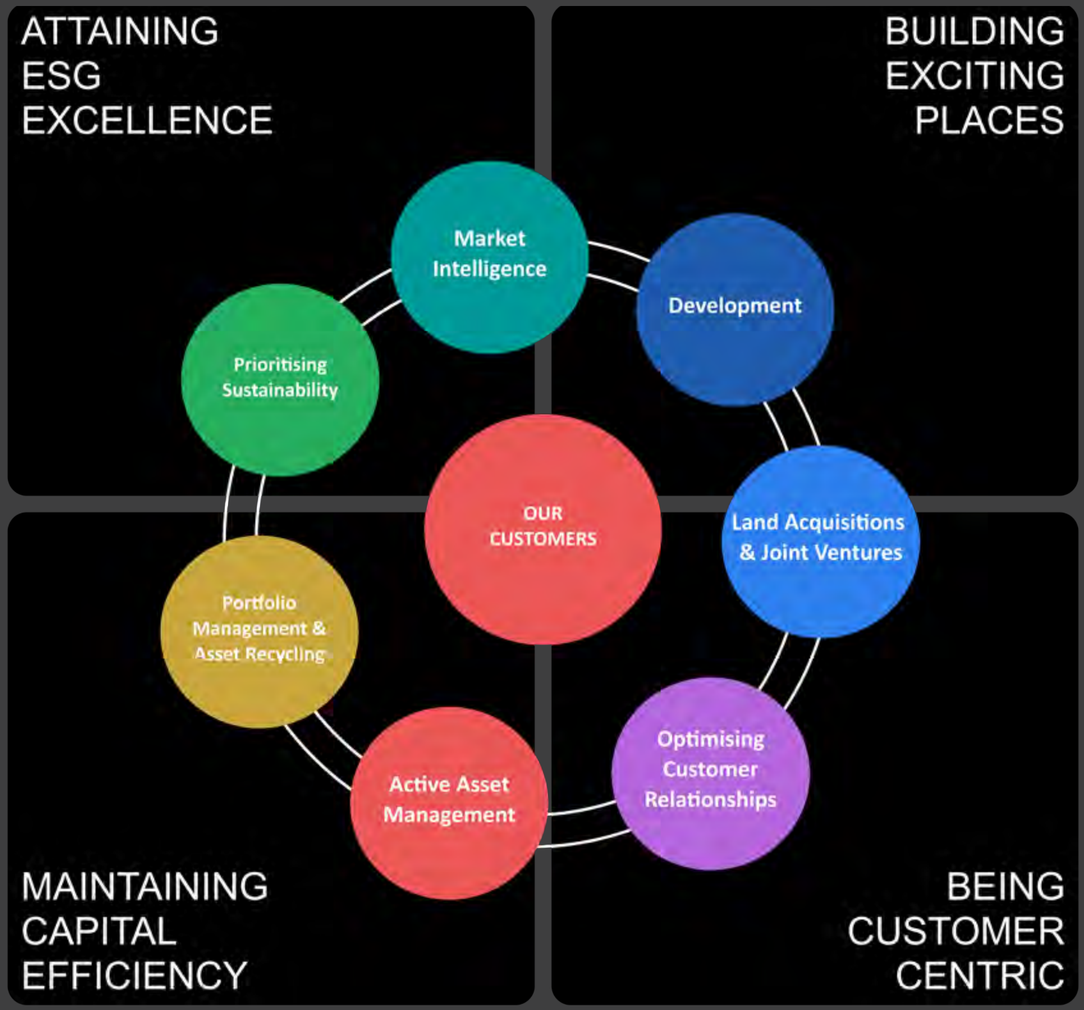
(5) Equity accounted joint ventures or associates.

(6) Listed on Tadawul Exchange.

(7) 30% of profit is shared with partner as management fee.

Section 2

Our Business Model



We utilise our capital on projects and assets which best leverage our competitive strengths. Few can match our ability to deliver large scale urbanisation projects through our proven business model, our financial strength, and strong credentials.

Founded in 1997, we have around 24 years of experience in creating large scale mixed use urban districts which has enabled Emaar Properties to deepen its expertise to become a leading urbanisation specialist. This has been the underlying foundation of the strong growth of our asset portfolio. Today, we have unlocked value across geographies through our urbanisation method, comprising a portfolio that spans multiple projects across several dynamic cities.

These cities are inherently more resilient through property cycles; can attract global capital; and are well suited to urban regeneration and infrastructure building - all of which play to our strengths.

Assets we prefer to invest in, manage and own

RETAIL

Own, develop and manage retail assets:

- Developing new properties for long-term investment and predicable annuity revenues
- Instill superior designs and architecture that shoppers and retailers gravitate to
- Operate and manage these retail assets to be home to top global brands and to facilitate optimal quality footfall and occupier trade
- Enhancing returns from malls through active brand management

COMMERCIAL

Develop and own Commercial Properties in the UAE and leading emerging markets' cities:

- Sound execution of our projects in important districts of a city
- Producing the highest standards of quality, efficiency and space flexibility
- Enhancing property returns through active asset management

Assets we prefer to build and sell

RESIDENTIAL

Develop and sell residential assets in the UAE and leading emerging markets' cities:

- Profound understanding of the markets in which we operate
- Leveraging our land bank with established and new masterplans that are flourishing
- Creating exceptional residential assets with strong cash flows and profitability

Assets we prefer to invest in, manage & monetize

HOSPITALITY

Develop, manage, and monetize hotel assets in a virtuous cycle of value creation:

- Develop Hotels within new masterplans to create an integrated 'city within a city'
- Operate these hotels under our brands, attaining strong financial viability
- Once mature and established, assets are sold while retaining Hotel Management Agreements for recurring revenues
- Proceeds and gains from these sales are recycled for fresh value creation opportunities

DISTRICT UTILITIES

Develop, manage, and monetize utility assets in a virtuous cycle of value creation:

- Develop District Cooling Plants (DCPs) within new masterplans to operate as independent utilities within Emaar's portfolio
- Deliver sustainable cooling to residential clusters, shopping malls, commercial buildings and hotels for steady and assured revenues
- Once mature and operating at full capacity, majority stake in the utility assets is sold while the Company retains a minority interest for steady dividend income
- Proceeds and gains from these sales are recycled for fresh value creation opportunities

Our Business Model

Building Exciting Places

We capitalise on situations that generate growth and value creation

We focus on opportunities where we can leverage our well-honed experience to create value by developing new properties for long term investment, while ensuring superior design and architecture of our assets. We do this by developing integrated masterplans that create and add entire districts to a city, intrinsically shaping the city's economy and the way people live work and play. These neighbourhoods are typically surrounded by iconic landmark assets, making the whole area one of the city's most exciting quarters - a 'city within a city'. (See our Strategic Pillar 1: Forefront of Shaping Cities on page 36 to know more.)

We focus on executing projects with precision and discipline, producing the highest quality in the marketplace. We also pursue value accretive acquisitions in the market and create opportunities for creating exceptional assets in our portfolio that generate strong cash flows. We leverage our deep market understanding to make opportune decisions which aim to deliver sustainable growth and returns. While our development pipeline is expected to be the main source of growth for our portfolio, we will also openly explore other growth opportunities that leverage our abilities to add value.

Being Customer Centric

We actively manage our assets to ensure high quality experiences for our customers

Once our assets are created, we focus on driving returns by managing our assets ourselves. We focus on capitalising on client relationships, ensuring our spaces are ideally suited to meet the needs of all our customers. We source forward thinking and proven businesses and cater to their growth cycle by matching their evolving needs with flexibility. The success and vibrancy of our completed precincts is testament to our capability. This demonstrated track record of superior outcomes for developing places people want to be in, along with our ideas on sustainability and urban regeneration, have helped us achieve our aim to be one of the world leading urbanisation specialist of choice.

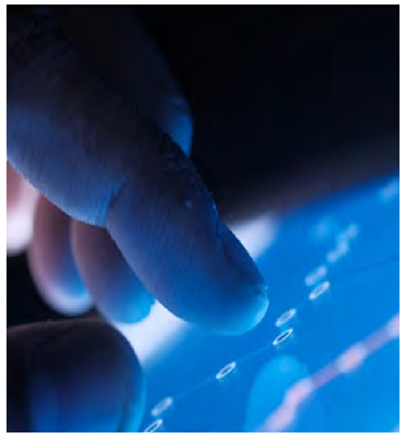
Maintaining Capital Efficiency

We actively recycle capital through prudent asset churning that optimises our portfolio

We actively recycle capital out of mature asset classes and into opportunities which generate higher returns through development and asset management. We target 'growth and value' sectors, and joint venture with land bank partners to mitigate risk and access the best opportunities.

An important component of our efficiency strategy is the capital efficient land management model where land is either typically acquired on a long term payment plan, or is acquired through an 'asset light' Joint Venture (JV) model in which the JV partner contributes the land with profit sharing as consideration.

Similarly, we do not start the development phase of a project unless a significant volume of advances are collected through our sales. These strategies are designed to keep us capex light and maintain a healthy balance sheet that can withstand market cycles.



Attaining ESG Excellence

We are actively enhancing our ESG focus to be a highly responsible and sustainable business

We develop individual buildings to drive returns across our urban districts, and going forward, we mean to ensure that our developments will become net zero carbon in the foreseeable decades ahead. We are committed to becoming a strong practitioner of sustainability strategies, supported by improved ratings, benchmarks and certifications. We also plan to join commitment initiatives that will align us with UAE's Net Zero 2050 strategic initiative.

In parallel, we are striving for excellence in our corporate governance and disclosures, and are committed to attaining widespread recognition for world-class governance. Our strategies are supported by a strong risk management and governance framework, which requires robust safety, quality and sustainability standards, and a structured approach to capital allocation. Even though we see the glimmer of light during the post pandemic phase, we continue to place strong importance to business resilience, which will be critical to navigate the uncertainty that may persist for some time. Our urbanisation led strategy with its mixed-use capabilities is uniquely placed to adapt to prevailing market conditions, as opportunities arise across a range of property sectors.

How we create value

Since we began business 24 years ago, we have demonstrated an enviable track record for delivering long- term value for our stakeholders. Today, with ample talent, assets and capital, we are confident to continue this journey of value creation for decades ahead.

OUR RESOURCES

Natural Capital
Committed to be kind to planet Earth:

Excellence in **energy efficiency** and waste management (see page 62 on Our Focus Area 5: Sustainability)

Proactively working towards **minimising our environmental footprint**

Manufactured / Intellectual Capital
Building exciting spaces

1.7 Bn sq. ft. land bank in key countries
~35,000 units under construction to be delivered in next 4 years

- Attention to Product Safety & Quality
- Operating systems and processes
- Strong brand
- Robust Corporate Governance
- Active asset management
- Portfolio management

Relationship Capital
Serving our important stakeholders:

- Understanding our **customers** well
- Extensive engagement with **investors**
- Legislative and regulatory **compliance**
- Supporting the **community**

Human Capital
Building capacity and capabilities:

>6,300 employees
Integrated professional management

- Zero tolerance on Health and Safety
- Experienced leadership team
- Values-driven Board of Directors

Financial Capital
An efficient value creation engine:

- **AED 68,195 mn** Net Assets of the Group
- Strong access to capital (debt and equity)
- **1.1** Net Debt / EBITDA in 2021
- **AED 9,343 mn** EBITDA up by 76% YoY
- **AED 5,717 mn** Profit after Tax in 2021

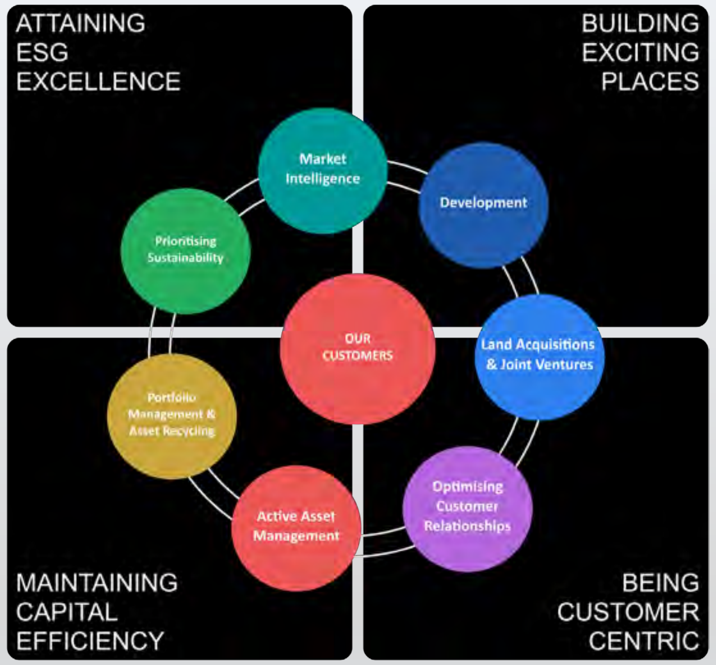
OUR BUSINESS MODEL & CORE ACTIVITIES

Our Strategic Pillars

- Pillar 1: Forefront of Shaping Cities
- Pillar 2: Creating the best places
- Pillar 3: Operational excellence
- Pillar 4: Strong future pipeline
- Pillar 5: Attaining ESG distinction

Our Key Focus Areas

- Focus Area 1: Health and Safety
- Focus Area 2: Financial Capital
- Focus Area 3: Our Customers
- Focus Area 4: Our People
- Focus Area 5: Sustainability



Aligned to key UN SDGs (See page 52 for our SDG mapping)

DELIVERING FOR OUR STAKEHOLDERS

Customers
We serve our customers through dedicated care executives to create great enriching and consistent customer experiences. We do this through personal interactions, self service apps and other touch points. With fast turn-around time to queries, we strive to maintain optimal Customer Satisfaction scores.

- **Technology** for integrated experience
- **APPs** access to Emaar's Eco System
- **TAT** fast Turn around Times
- **>95%** target customer satisfaction CSAT score

Our People
Our open and inclusive workforce are given the best working environment and training to achieve their best potential. Our people come with both local and global backgrounds, outlooks and experiences, helping the Company become one of most respected companies in the world.

- **> 6,300** employees
- **> 16,300** manhours of training
- **Zero** major incidents in UAE

Shareholders
We respect the rights of our shareholders and actively manage our business and finances to ensure that our business is sufficiently resilient to deliver sustained long term returns to our shareowners.

- **6.16%** Return On Equity
- **AED 0.52** EPS
- **58%** Growth in Market Capitalisation over 2021

Partners and suppliers
We establish deep relationships with our vendors, partners, debt providers, authorities and regulators.

- **Awarded ~AED 3.6 Bn** worth of projects to various vendors and partners in 2021 in the UAE
- **>2,000** active suppliers
- **>80%** business through local partners
- **SME** vendor focus
- **Sustainability** through supply chain

Communities
We make constant efforts to connect with local people, create opportunities for underserved members of our society and support general wellbeing and lifestyles to make a positive local contribution.

- **AED 3.6 MN** donated through Community Development Authority
- **15.4%** leadership positions held by women

OUR VALUE CREATION

At Emaar, we recognise the opportunity to advance the SDGs and this year's integrated annual report demonstrates our dedication to the important objectives embodied in the SDGs.

Materiality Report

KNOWING WHAT MATTERS MOST TO STAKEHOLDERS OF EMAAR GROUP

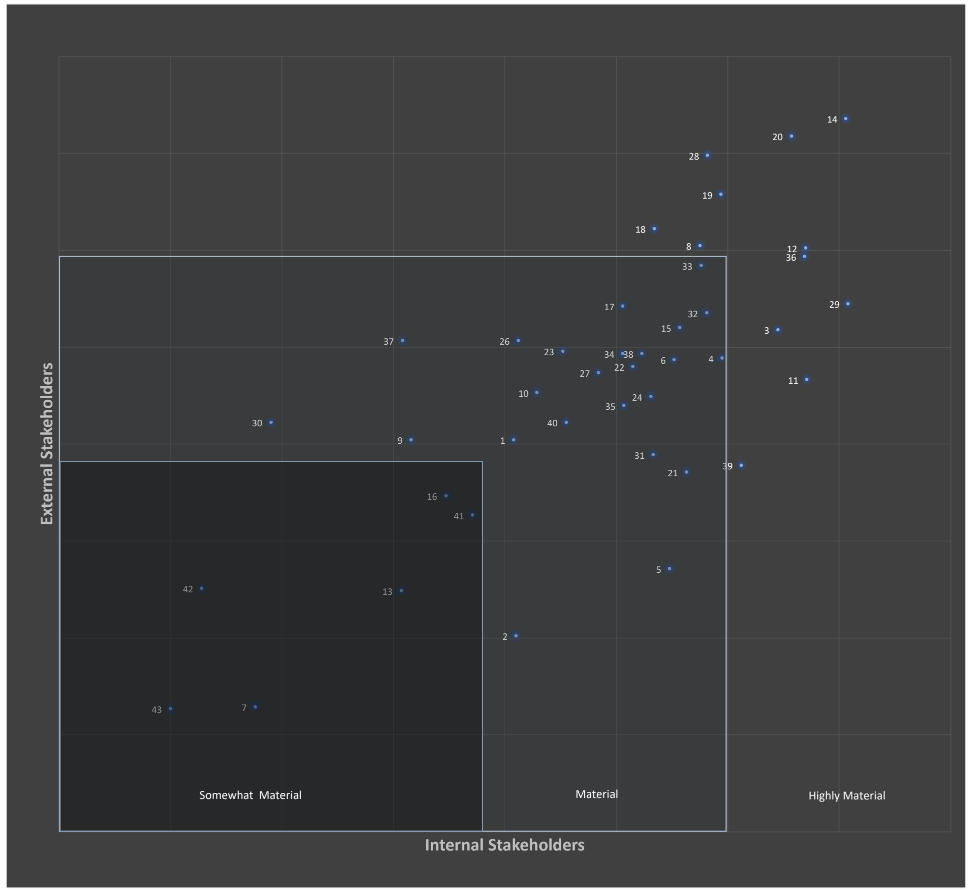
A sustainable business is about improving the quality of our portfolio by creating resilient assets that operate optimally, while reducing risks and maintaining value over the long-term. Through internal and external communications, EMAAR Group continues to demonstrate that we are aware of key drivers for sustainability performance. We are continuously working towards improving our performance by implementing key initiatives within our sustainable business roadmap. Going forward, we plan to raise further awareness throughout the organisation and among our stakeholders on EMAAR Group's objectives and progress.

Emaar Properties conducts materiality surveys periodically to understand the aspects that are most significant and relevant to our business. Material aspects are defined as per Sustainability Accounting Standards Board (SASB) guidelines, and are identified through a materiality assessment process to discover those being of the highest importance to both internal and external stakeholders.

To manage risk effectively and to operate with the support of our stakeholders, we need to understand the issues that matter.In determining these issues, we considered how important they were to stakeholders and how significant they were in terms of EMAAR Group's economic, environmental, and social impacts. This assessment considers a series of relevant issues determined from international reporting requirements including GRI and SASB; and comparing our approach with that of peers within the same industry as Emaar's. We then classified these issues (as 'somewhat material; 'material'; and 'highly material') to indicate their importance to EMAAR Group's internal and external stakeholders. The survey participants were invited to be canvassed for their knowledge of our business; the industry we participate in; and their understanding of the interplay between our industry and socio-environmental factors at large. The internal respondents included people from investor relations, central procurement, finance, facility and community management, human resource functions, as well as senior employees and management leaders within the EMAAR Group, including EMAAR Properties PJSC and EMAAR Developments PJSC. The external respondents included investors, vendors, partners and contractors among others that engage with Emaar and are therefore somewhat familiar with the Company's business. The aspects we have identified as material are shown in the materiality mapping graphics below. This matrix represents the positioning of the aspects in terms of 'importance to stakeholders', in line with feedback gathered.

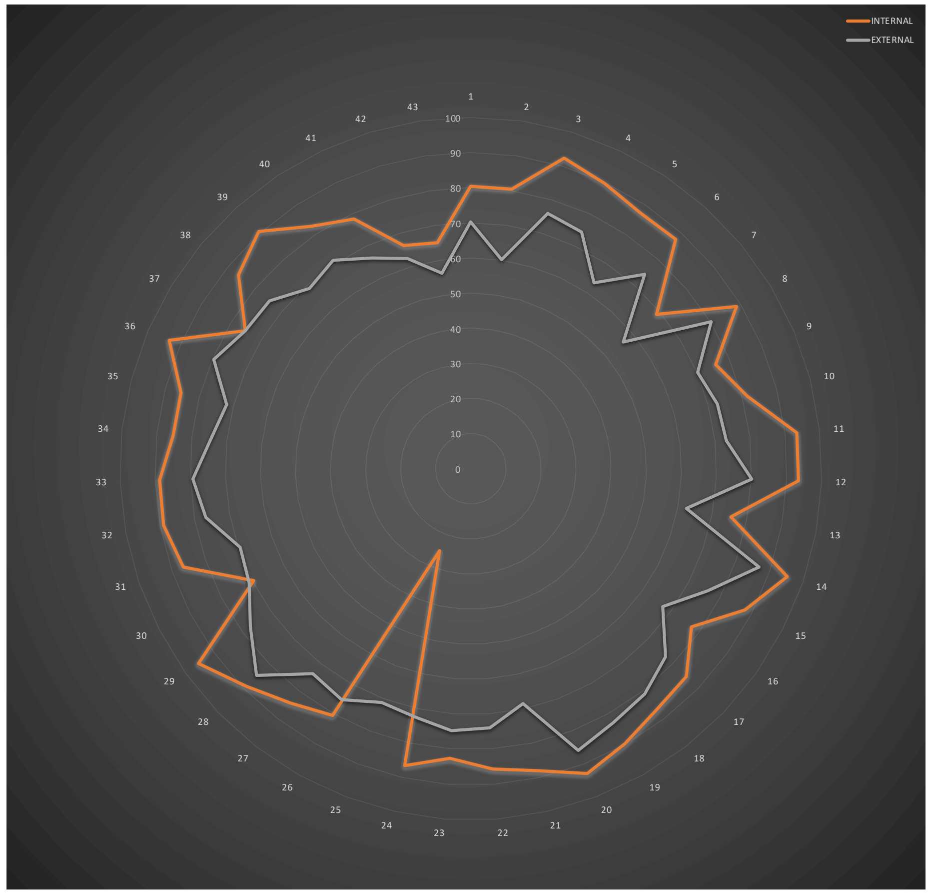
Materiality Report

Materiality Map



A matter is considered material if senior management and those charged with governance believe it could significantly impact the value created and delivered in the short, medium and long term. Furthermore, we capture feedback through engagement and research conducted from time to time from key external stakeholders including investors, analysts, and other relevant groups. Our response to high material aspects are detailed on pages 30 to 35 under "Materiality Report".

Materiality Radar Map



The Materiality Radar shown above presents the results of our materiality survey findings in an alternative way. The orange and grey lines show the internal and externalstakeholders' views respectively and demonstrate the extent to which they are alignedon each aspect surveyed. We see from this graphics that the views of external stakeholders broadly align with our own business view. Areas where there is some divergence required to be studied further by the management, in particular where they appear to be more important to external stakeholders than they are to the business. We intend to refine our materiality assessment process each year as it becomes more mature and welcome continuous quantitative and qualitative feedback from our stakeholders.

Materiality Report

Materiality by importance

Highly Material | Material | Somewhat Material

In order of materiality (Highly Material to Somewhat Material)

Issue #	Material Aspect
3	ENVIRONMENT: Energy Management & Renewable Energy Usage
8	ENVIRONMENT: Environment Compliance
11	SOCIAL CAPITAL: Customer Privacy
12	SOCIAL CAPITAL: Data Security
14	SOCIAL CAPITAL: Product Quality & Safety
18	HUMAN CAPITAL: Labour Practice & Employment
19	HUMAN CAPITAL: Training and Skill Development
20	HUMAN CAPITAL: Employee Health & Safety
28	BUSINESS MODEL & INNOVATION: Long Term management of Assets
29	LEADERSHIP & GOVERNANCE: Business Ethics, Integrity, Transparency, Bribery & Corruption
33	LEADERSHIP & GOVERNANCE: Risk Management
36	LEADERSHIP & GOVERNANCE: Reputation, Communications and Awareness
38	ECONOMY: Economic/financial crises
1	ENVIRONMENT: Climate Change Mitigation & Adoption
2	ENVIRONMENT: Air Pollution Control & Toxic Emission Management
4	ENVIRONMENT: Water Management
5	ENVIRONMENT: Effluent/Waste Water Management
6	ENVIRONMENT: Waste Management
9	ENVIRONMENT: Natural Resources Conservation (soil, air and water)
10	SOCIAL CAPITAL: Human Rights
15	SOCIAL CAPITAL: Customer Welfare
17	SOCIAL CAPITAL: Social Development & Community Involvement
21	HUMAN CAPITAL: Staff Succession Planning
22	HUMAN CAPITAL: Employee Engagement, Diversity & Inclusion
23	BUSINESS MODEL & INNOVATION: Product Design & Lifecycle Management
24	BUSINESS MODEL & INNOVATION: Business Model Resilience
26	BUSINESS MODEL & INNOVATION: Supply Chain Management
27	BUSINESS MODEL & INNOVATION: Material Sourcing Efficiency - availability, responsible sourcing & pricing
30	LEADERSHIP & GOVERNANCE: Renewable Energy Generation
31	LEADERSHIP & GOVERNANCE: Competitive Behaviour
32	LEADERSHIP & GOVERNANCE: Management of the Legal & Regulatory Environment
34	LEADERSHIP & GOVERNANCE: Grievance Redressal of Stakeholders
35	LEADERSHIP & GOVERNANCE: Responsible investment
37	ECONOMY: Commodity price volatility
39	ECONOMY: Economic/Pandemic Crises
40	ECONOMY: Capital Values
7	ENVIRONMENT: Biodiversity Management
13	SOCIAL CAPITAL: Access & Affordability
16	SOCIAL CAPITAL: Charitable Giving
25	BUSINESS MODEL & INNOVATION: Access to Capital (customers & business)
41	ECONOMY: Employment trends/diversification
42	ECONOMY: Revenue Account surplus
43	ECONOMY: Political change and uncertainty

Our approach to Material Aspects through references within our Integrated Report

Issue #	ENVIRONMENT related Material Aspects:	Where to read more:
1	Climate Change Mitigation & Adoption	Focus Area 5: Sustainability (page 62)
2	Air Pollution Control & Toxic Emission Management	Focus Area 5: Sustainability (page 62)
3	Energy Management & Renewable Energy Usage	Focus Area 5: Sustainability (page 62)
4	Water Management	Focus Area 5: Sustainability (page 62)
5	Effluent/Waste Water Management	Focus Area 5: Sustainability (page 62)
6	Waste Management	Focus Area 5: Sustainability (page 62)
7	Biodiversity Management	Focus Area 5: Sustainability (page 62)
8	Environment Compliance	Focus Area 5: Sustainability (page 62)
9	Natural Resources Conservation (soil, air and water)	Focus Area 5: Sustainability (page 62)
	SOCIAL CAPITAL related Material Aspects:	**Where to read more:**
10	Human Rights	Visit our website www.emaar.com
11	Customer Privacy	Focus area 3: Our Customers (page 58)
12	Data Security	Corporate Governance Report (page 104)
13	Access & Affordability	Strategic Pillar 1: Forefront of shaping cities (page 36)
14	Product Quality & Safety	Focus area 3: Our Customers (page 58)
15	Customer Welfare	Focus area 3: Our Customers (page 58)
16	Charitable Giving	Focus Area 5: Sustainability (page 62)
17	Social Development & Community Involvement	Focus Area 5: Sustainability (page 62)
	HUMAN CAPITAL related Material Aspects:	**Where to read more:**
18	Labour Practice & Employment	Focus area 4: Our People (page 60)
19	Training and Skill Development	Focus area 4: Our People (page 60)
20	Employee Health & Safety	Focus area 1: Health and Safety (page 54)
21	Staff Succession Planning	Focus area 4: Our People (page 60)
22	Employee Engagement, Diversity & Inclusion	Focus area 4: Our People (page 60)
	BUSINESS MODEL & INNOVATION related Material Aspects:	**Where to read more::**
23	Product Design & Lifecycle Management	Strategic Pillar 2: Creating the best places (page 40)
24	Business Model Resilience	Our Business Model (page 18)
25	Access to Capital (customers & business)	Focus Area 2: Financial capital (page 56)
26	Supply Chain Management	Strategic Pillar 3: Operational excellence (page 44)
27	Material Sourcing Efficiency - availability & responsible sourcing	Strategic Pillar 3: Operational excellence (page 44)
28	Long Term management of Assets	Strategic Pillar 3: Operational excellence (page 44)
	LEADERSHIP & GOVERNANCE related Material Aspects:	**Where to read more:**
29	Business Ethics, Integrity, Transparency, Bribery & Corruption	Corporate Governance Report (page 104)
30	Renewable Energy Generation	Focus Area 5: Sustainability (page 62)
31	Competitive Behaviour	Our Business Model (page 18)
32	Management of the Legal & Regulatory Environment	Corporate Governance Report (page 104)
33	Risk Management	Risk Management (page 102)
34	Grievance Redressal of Stakeholders	Investor Relations pages on website
35	Responsible investment	Focus area 2: Financial Capital (page 56)
36	Reputation, Communications and Awareness	Focus area 3: Our Customers (page 58)
	ECONOMY related Material Aspects:	**Where to read more:**
37	Commodity price volatility	Strategic Pillar 3: Operational excellence (page 44)
38	Economic/financial crises	Management Discussion & Analysis (page 68)
39	Economic/Pandemic Crises	Management Discussion & Analysis (page 68)
40	Capital Values	Management Discussion & Analysis (page 68)
41	Employment trends/diversification	Management Discussion & Analysis (page 68)
42	Revenue Account surplus	How we create value (page 22)
43	Political change and uncertainty	Management Discussion & Analysis (page 68)

Materiality Report

Our response to Material Issues categorised as High

Issue #	Top material issues	How we are responding	Supporting SDGs
3	ENVIRONMENT: Energy Management & Renewable Energy Usage	In order to improve the quality of life, through the created supply of living and working spaces, Emaar is contributing to the construction of sustainable master-planned cities and communities, which is why SDG 6, 7, 11 and 15 are pertinent goals. Emaar takes measures to protect the natural and cultural heritage, so as to ensure the access of all to the green and pollution safe public spaces, along with clean water and sanitation, such as: designing new buildings respecting the architectural style of old buildings, avoiding the use of agricultural land for new constructions, creating green terraces in the urban environment, embedding access to clean water and planning a high ratio of green parks and landscapes as key features of our masterplans.	
8	ENVIRONMENT: Environment Compliance	As the UAE steps up on its national commitment to climate action, Emaar is taking tangible steps towards reducing its carbon emissions and reliance on fossil fuel. The Company is currently evaluating the goals it wishes to set for minimizing its carbon footprint in due course. To achieve a meaningful goal, the Company is exploring multiple avenues, including investing in solar energy in its community centres, among others. For its green building initiative, Emaar is planning to have its various buildings LEED certified in due course. Moving forward, the Company plans to push the envelope in innovative building designs, and sustainable construction technologies and materials, to enhance its developments' resilience against climate change. Using advanced building energy management systems, Emaar continues to monitor the energy efficiency in its various commercial, shopping, residential and other buildings for reducing energy consumption and improving thermal comfort and health. The Company also deploys holistic building management systems that also check air and water. For Emaar, sustainability goals and COVID-19 safety precautions have become equally important to lowering utility usage. The Company deploys various platforms for managing and optimising air quality and water use across its various properties. Emaar also places immense importance to on-site waste segregation as the first step in its compliant waste management plan that can help the environment. Among various initiatives, the Company adopts protocols across its various properties to encourage employees, occupiers, shoppers, residents, and community members to recycle on a regular basis whenever possible, and separate out recyclable waste such as paper, plastic and glass from landfill and compostable waste. The Company also sets qualitative and quantitative targets for its initiatives in sustainable development, for example in the areas of increasing the number of certified buildings, charging access for e-vehicles, number of parking places for bicycles among others. It also focusses on creating smart cities, working spaces and homes, ensuring urban balance and harmony with nature.	5 Pillar 5: Attaining ESG distinction See Page 48 See our Sustainability Report on page 62 for more details on our initiatives.

Issue #	Top material issues	How we are responding	Supporting SDGs
11	SOCIAL CAPITAL: Customer Privacy	The recently carried out materiality survey identified Customer Privacy and Data Security amongst the 'Highly Material' issues. Emaar's Information Systems department constantly scans for cyber security trends to ensure that cyber risks are mitigated effectively. The Company is also mindful of its obligation to regulatory compliance with personal data protection guidelines. Emaar's holistic approach encompassing the whole organisation and robust IT security measures also enhances its market standing. The Company's IT response plans are being tested by independent external and internal auditors and benchmarked against best industry practices.	
12	SOCIAL CAPITAL: Data Security	Failure to meet customers' expectation on quality and responsibility can affect reputation and sales. Emaar prioritises innovative, green and safe designs, with high standards of workmanship and functionality, by voluntarily adopting various construction quality standards. For quality assurance, the Company targets to rectify defects reported at new developments within prescribed time limits and at the same time learning gained on one project is used to improve quality of another project. The Company's stringent quality assurance processes are benchmarked against all industry standards. Its robust evaluation of partners ensures its internal quality KPIs are maintained or exceeded. This has differentiated Emaar's products and enhanced stakeholders' confidence in the Company.	2 Pillar 2: Creating the best places See Page 40
14	SOCIAL CAPITAL: Product Quality & Safety	We shape the quality of our assets and urban environment to deliver the highest quality of properties and spaces for our consumers. Our key strategy to drive our business forward is to establish and develop outstanding urban centres and neighbourhoods which deliver positive outcomes for all our stakeholders on a long term, sustainable basis. Our masterplans ensure that we produce well-connected, high quality environments fostering innovation, collaboration, creativity, and a genuine sense of community.	
17	SOCIAL CAPITAL: Social Development & Community Involvement	To know more, read the Company's Strategic Pillar 1: Forefront of Shaping Cities (page 36). and the chapters on its capitals, mainly Relationship Capital (page 58) and Human Capital (page 60).	

Materiality Report

Issue #	Top material issues	How we are responding	Supporting SDGs
11	HUMAN CAPITAL: Labour Practice & Employment	Emaar focuses on human capital development and growth, and empowers employees to be innovative. This helps to drive service and product differentiation. Professional ethos, skill sets and performance of its people are key to the Company's performance and financial sustainability. The Company believes in building engaging careers where employees can grow with the company. Its Human Resource policies and practices foster an inclusive and supportive workplace for employees' development and well-being to drive dedication, productivity and performance for organisational excellence and business growth.	
12	HUMAN CAPITAL: Employee Health & Safety (H&S)	As a developer and major landlord with extensive operations, the Company is exposed to environmental, health and safety (EHS) risks arising from its activities. It has put in place strategic and concerted efforts to mitigate the impacts on the environment and on the health and safety of its key stakeholders.	
19	HUMAN CAPITAL: Training and Skill Development	In 2021, there was zero fatality involving our employees across our core operations. As a strong advocate of safety and health across its value chain, various safety initiatives and engagement programmes that helped ensure zero fatality, and were implemented at all construction sites in 2021. In 2021, Emaar clocked more than 16,300 hours in training and development. Emaar's progress on H&S goals and targets across its operations is reported on page 54. More details on Emaar's HR policies and practices, including Human Rights, Remuneration, Talent Development and Retention, can be found on https://www.emaar.com/en/ and in the chapter covering Focus Area 4: Our People on page 60	Pillar 5: Attaining ESG distinction See Page 48

Issue #	Top material issues	How we are responding	Supporting SDGs
28	BUSINESS MODEL & INNOVATION: Long Term management of Assets	We operate our businesses efficiently and smoothly, with strong market insights that help us in driving enduring demand for our assets and developments. We proactively manage our properties and infrastructure to keep our facilities up and running efficiently, for the long-term success of our organisation. To know more, read the chapters on: Pillar 3: Operational Excellence (page 44); Our Business Model (page 18); and How we create value (page 22).	Pillar 3: Operational excellence See Page 44

Materiality Report

Issue #	Top material issues	How we are responding	Supporting SDGs
29	LEADERSHIP & GOVERNANCE: Business Ethics, Integrity, Transparency, Bribery & Corruption	The Board and the Management are committed to conducting business with integrity and consistent with high standards of business ethics, and in compliance with all applicable laws and regulatory requirements. The Company has established various corporate policies as necessary which provide a communicable and understandable framework for staff to observe the Company's principles on honesty, integrity, responsibility, and accountability at all levels of the organisation and in the conduct of the Company's business in their relationships with the Company's stakeholders, including customers, suppliers and employees. To know more, read the chapter on Corporate Governance Report (pages 104 - 133).	Pillar 5: Attaining ESG distinction See Page 48
33	LEADERSHIP & GOVERNANCE: Risk Management	The Group has a system of controls in place to maintain an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Read more on our Risk Management Framework (page 102).	
36	LEADERSHIP & GOVERNANCE: Reputation, Communications and Awareness	Understanding how customer expectations are changing helps us provide places which meet more of their needs, driving long term demand for our space. We survey retailers and visitors to our places and collect data on how people use our space and our services. We maintain an active dialogue with our partners and develop long term relationships. Our Supplier Code of Conduct guides how we engage with suppliers. We engage with our people to help them realise their potential. It is their skills and experience that drive the quality of our product. By addressing shareholders' views in our strategy and our communications we are better able to attract investors who are long term supporters of our business.	

Issue #	Top material issues	How we are responding	Supporting SDGs
38	ECONOMY: Economic/financial crises	The global economic climate presents risks and opportunities which can impact both the delivery of our strategy and our financial performance. We have made a beginning in integrating ESG into all aspects of management, including investment decisions, financial models and business plans, investment valuations, and monitoring business performance, which together with very disciplined financial management helps us weather any adverse economic condition.	Pillar 5: Attaining ESG distinction See Page 48
39	ECONOMY: Economic/Pandemic Crises	The Risk Committee periodically reviews the economic environment in which we operate to assess whether changes to the economic outlook justify a reassessment of the risk appetite of the business. Key indicators including forecast GDP growth, employment rates, business and consumer confidence, interest rates and inflation are considered, as well as central bank guidance and government policy updates. We monitor our business plans against a potential downturn in economic outlook to ensure our financial position is sufficiently flexible and resilient. Our business model focuses on high quality assets underpinned by our strong balance sheet and financial strength. Read more on the Company's Financial Capital on page 56. While the impact of Covid-19 continued to be felt in 2021 in the form of different variants, many of our customers have been unable to operate their businesses in the usual way. Throughout the pandemic, we worked closely with all those affected to agree fair and flexible plans to help them manage rental payments and we supported them in their reopening strategy wherever possible. For our office customers, we worked fast to make our space Covid-secure and share learning experiences with occupiers on working from home and returning to the office. The Covid-19 pandemic has shone a spotlight on health and the importance of maintaining a good balance between work and life priorities. At Emaar, employee wellbeing has always been a focus, exploring new ways to support employees'physical and mental health. We have worked hard to create a culture of support and understanding for all our employees, ensuring they know where they can get the appropriate assistance, recognising all the difficulties encountered during this pandemic. Read more on the Company's Pandemic Response on pages 54 and 60.	

Our properties are also inclusive places, which foster opportunities and contribute positively to their neighbourhoods.

Pillar 1
Forefront of Shaping Cities

Our key strategy to drive our business forward is to establish and develop outstanding urban centres and neighbourhoods which deliver positive outcomes for all our stakeholders on a long term, sustainable basis.

Strategy

We create value by providing high quality iconic environments, which help our discerning customers to succeed today, and in the future. Our properties are also inclusive places, which foster opportunities and contribute positively to their neighbourhoods. We are executing on our well thought out integrated masterplans that create and add entire districts to a city, intrinsically shaping the city's economy and the way people live work and play. These neighbourhoods are typically surrounded by iconic landmark assets that create a centrifugal pull on their own, making the whole area one of the city's most exciting quarters - a 'city within a city'. Our masterplans ensure that we produce well-connected, high quality environments fostering innovation, collaboration, creativity, and a genuine sense of community. Their strong appeal attract successful businesses, residents, shoppers and tourists, to foster centres of innovation, collaboration and creativity. Going forward, we intend to realise the full potential of our existing and new masterplans through the development of high quality and sustainable buildings, and by aligning our value proposition that will appeal to tomorrow's businesses and workers.

Golf Links Villas at Emaar South

Emaar South is a mixed-use neighbourhood offering a brand-new idea of miniature townhouses and regular townhouses. Standalone apartments and villas have views of a magnificent 18-hole championship golf course. Golf Links Villas at Emaar South is situated near the Dubai Expo 2020 site and includes various housing alternatives from townhouses to apartments. The neighbourhood offers several amenities to enable a fulfilling lifestyle.

The evolution of Downtown Dubai over 18 years
600-acre Flagship Mega-Development
One of the Most Visited Destinations in The World
Includes The World's Tallest Building & The World's Largest Mall

Dubai Creek Harbor

Home to the beautiful Island Park, the pristine Creek Beach, an upscale Yacht Club, and an exquisitely designed promenade with an array of art installations, retail, dining, and leisure venues. Every day, the public spaces at Dubai Creek Harbor provides an opportunity to discover something extraordinary.

We are continuously leveraging on the existing master community developments to launch new projects:

Masterplans	Central Attractions	Total Remains GFA (Million sq. ft.) to be launched in the future*
Dubai Creek	Man made island and Dubai Creek Tower	100.9
Lusaily	Located between Dubai Investment Park and Jumeirah Golf Estates in Dubai	96**
Dubai Hills	18 hole world class Golf Course	51.9
The Valley	On Dubai-Al Ain Road, near Golden Beach and Sports Village	45.2
Emaar South	18 hole world class Golf Course	29.7
Mina Rashid	World's new sailing destination	11.3
Arabian Ranches	Golf Course and Equestrian Club	8.1
Emaar Beachfront	Close access to sought after Beach	6.7
Ras Al Khaimah & Zabeel Square	Former is located at the top of Al Marjan Island ideal for 5 Star hotels; while the latter is located near Zabeel Park, Dubai, ideal for mixed-use cluster of assets	3.5
Downtown Dubai	Burj Khalifa, Dubai Fountain, Dubai Mall	1.9

* Details are based on current master plan as of 31 December 2021
**In planning stage, master plan is yet to be finalised.

2

Pillar 2:
Creating the best places

We are a trusted partner in delivering the best places that are well located, greener and offer best in class technology. In the current environment, flexibility has never been more relevant. Across our residences, offices, and our retail spaces, we offer our customers a range of options in terms of lease length and fit outs to meet their needs, both today and in the future, with the potential to expand with us.

3 GOOD HEALTH AND WELL-BEING

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

Strategy

We apply our mastery to create spaces that people single out to spend their lifetime to live, play and work. We develop a deep understanding of the most important issues and opportunities in the communities around each of our masterplans, and focus our efforts collaboratively, to make the biggest impact at each place. We subscribe to empathetic architecture that not only stands out for its beauty, but also looks to optimise the relationship between people and buildings to attend a community's needs. We design our buildings as solutions for problems and opportunities by focusing on the needs, contexts, behaviours, and emotions of people from all sections of society. This means that our spaces are intrinsically places for people to come together, and where connected spaces create an experience. A sense of place is created by the architectural designs of our buildings, enveloping the adjacent surroundings in a connected way. We design these surroundings to complement the built environment, placing top priority on extensive landscaping that sets the initial tone of a site.

Case Study 1

Emaar Square - a mixed-use development in the heart of Istanbul, Turkey

Emaar brings its world-renowned The Dubai Mall experience to Turkey with a new shopping and lifestyle center, architecturally inspired by Istanbul. Top luxury brands of the world as well as brands from Turkey come together at Emaar Square Mall. Emaar Turkey, the country-subsidiary of Emaar Properties PJSC, has opened Emaar Square Mall, a world-class retail and leisure destination located in the heart of Emaar Square, an elegant master-planned development.

With its architecture inspired by İstanbul, one of the most beautiful cities in the world, Emaar Square Mall showcases some of the world's leading retail, entertainment and gastronomy brands to assure visitors of a memorable experience.

Modern Architecture with Open Air Shopping Features

Emaar Square's open-air features welcome local visitors and tourists, provide a unique shopping experience with luxury brands and world cuisines from signature restaurants. In addition, Louis Vuitton, Harry Winston, Cartier, Hermes, Golden Goose, Ermenegildo Zegna, Vakko, Mont Blanc, and upcoming luxury brands give the mall 'the place to be' spirit.

Emaar Square Mall's Exclusive Restaurants

In addition to a wide range traditional and modern cuisine as well as gourmet restaurants, gastronomy festivals will be held throughout the year offering perse culinary flavors to visitors. Huqqa, which combines delicacies of the world cuisine, Cantinery and Zula, which are popular with their local tastes, Paps Italian the Galliard, Big Chefs, BedriUsta, The House Café, Markus Ribs, Happy Moons, Sushico, are showcased at Emaar Square Mall with their exclusive concepts.

Entertainment for everyone

Emaar Square Mall emphasises on entertainment along with retail and gastronomy to ensure that visitors have memorable experiences in every visit. Emaar Square Mall has a cineplex with a total capacity of 2,400 visitors; the cinema deploys 4DX technology, which engages all five senses. Emaar Aquarium & Underwater Zoo adds to the joy of visitors with over 20,000 aquatic animals of 200 different species. It is also home to one of the world's largest crocodiles at a length of 5 meters and its mate, among other species never seen in Turkey before. Children can learn about ecology and the sustainability of marine life, while the conservation program will focus on preserving some endangered species. The observation deck 'Emaar Skyview' is the new symbol of the city and make visitor discover Istanbul from the sky. Skyview differentiates with the longest sky deck of Europe. The 27-meter long Skydeck takes visitors attention from all over the world.

Address Signature in Istanbul

Combining luxury with urban lifestyle, Address Istanbul in the heart of the luxury Emaar Square on the Asian side of Istanbul, is a destination unto itself with unlimited possibilities. Offering a multitude of dining destinations, wellness experiences, business options, and eco-friendly green building.

Address Istanbul was also designed with mechanical ventilation and standardised fresh air and temperature set values throughout the building. Additionally, internationally compliant indoor construction chemicals were used to optimise indoor air quality and occupant comfort.

Case Study 2

Creating a Community Fabric at EMAAR SQUARE CAIRO

Emaar Square brings the ultimate shopping experience to the heart of Cairo. The mixed-use development offers a vibrant new elegant downtown that connects the traditions of Cairo with the modernist principles of Middle Eastern Architecture. One that invites its people to blend among the cafes with their outdoor terraces, to stroll the grand boulevards and embrace the best of the modern-day Cairo; from food and fashion to workplaces, hospitality and residential amenities that rank with the most prestigious in all of Cairo.

Anchoring Emaar Square's frontage and creating the perfect luxury and tranquility, the hospitality experience will embark by launching the first Address Hotel in Cairo.

From food and fashion to a residential community that will rank with the most prestigious in all of Cairo, Emaar Square offers an exclusive range of residential offerings allowing people to live according to their own style.

The offices being the gateway to Emaar Square's business district, they are positioned to attract international, blue chip tenants and provide a lasting first impression. Corporate and professional lobbies with full services are linked to the retail providing the perfect spots for business meetings or casual lunches in its shaded walkways.

We develop a deep understanding of the most important issues and opportunities in the communities around each of our masterplans, and focus our efforts collaboratively, to make the biggest impact at each place.

3

Pillar 3: Operational excellence

We operate our businesses efficiently and smoothly, with strong market insights that help us in driving enduring demand for our space. Our expertise across asset management and sustainability enabled us to navigate a challenging year and pursue growth and value opportunities.

Strategy

We employ a highly experienced workforce, working with strong systems, expertise and passion. We proactively manage our properties and infrastructure to keep our facilities up and running efficiently, for the long-term success of our organisation. We implement a precision-based approach towards corrective maintenance, preventative maintenance, and customer requests, ensuring that we avert downstream equipment failures and equipment down time, thus extending the useful life of the asset. We place great importance on efficient cost management and value creation; strategic sourcing, energy efficiency and vendor management programmes; and maintaining high occupant and client satisfaction. We strategically focus on managing occupancy, providing safe and functional work environments, and providing appropriate complimentary amenities such as retail, concessions, concierge services and conference support. Furthermore, we proactively structure advanced planning and preparation for business continuity events as well as programmes such as critical incident management, operational risk management, amongst others. Continuously striving for operational excellence sets us apart in having assets that people prefer to spend time in.

Case Studies

Community Centres/ Souks – Renewable energy

Initiated the construction and upgradation of several facilities to be powered by solar energy. Solar panels have been installed in ranches souk, gold and diamond park, and springs souk with total capacity of 2.368 MW. The energy generated from solar panels is used to feed energy to chillers and chiller water pumps.

Computerized Maintenance Management System (CMMS)

To ensure smooth maintenance operations within our residential and commercial facilities, we utilize a Computerized Maintenance Management System and an Integrated Community Management system (ICMS). Our maintenance management is built around comprehensive asset lifecycle analysis and asset condition assessment that is used as the basis of our maintenance management and planning. Our maintenance activities are proactive, driven by predictive and preventive maintenance regimes, and all maintenance tasks are planned, monitored, and evaluated through our maintenance management software.

Command Control Centre

We employ an indigenous smart asset management system that connects 10 vertical communities, comprising 65 buildings fitted with 8,200 equipment – that feed operational parameters from 65,000 data points. Known as Smart Community Management (SCM), this sophisticated web and mobile app-enabled system has replaced individual community-level building management systems with a central Command Control Centre. This is a platform that monitors and controls all MEP assets and their sequence of operations.

Smart Waste Collection System

In our commitment toward enhancing our diversion rates, we have incorporated the use of a smart waste collection system in The Dubai Mall, Dubai Marina Mall, and Souk Al Bahar.

The system involves the use of unique identity cards for all tenants disposing waste, these identity cards are used to log details of type and weight of waste being disposed.

The data collected is synchronized on cloud storage for easy access, monitoring and evaluation. The waste disposed is compacted and stored based on waste type. The waste data is analysed and action for improvements are created.

Emaar Group Operations also regularly trains its tenants and retailers on waste management highlighting the importance of proper waste management in line with the country and company's vision.

Commitment to Sustainability

Emaar Group Operations is committed to environment and energy management within its portfolio. In doing so, Emaar Group operations is accredited to five ISO management systems, which include:

- Asset Management System (ISO 55001),
- Facility Management System (ISO 41001),
- Environment Management System (ISO 14001),
- Energy Management System (ISO 50001),
- Quality Management System (ISO 9001).

Emaar Group Operations has implemented a robust Integrated Management System based on the ISO standards to improve the environment and sustainability of our operations and facilities.

Pillar 4:
Strong future pipeline

Our development pipeline of new projects includes opportunities which we supplement from our portfolio of existing and new master community developments. We have a deep pipeline, which positions us to take advantage of future market cycles and resulting opportunities.

Strategy

We continue to enhance our skills and expertise that extend well beyond simply knowing about local land use regulations and ordinances. We will continue to leveraging our well-established relationships with state and local governing bodies, land owners, investors, real estate brokers, homeowners associations and civic groups. Through strong market research, we are identifying opportunities that have a high probability of healthy returns. We continually harness our deep knowledge of the markets we serve and in our ability to identify organic and inorganic opportunities. We look to grow our portfolio of retail, commercial, residential and hospitality assets in a balanced way that fuels our future growth, while optimising our return on capital deployed.

3 GOOD HEALTH AND WELL-BEING

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

Highlights

>31 Mn Sq ft
Projects under development in the UAE as at 2021

81,000+
Residential units delivered Globally till 2021

123,000
Residential units sold till 2021 globally, out of which 60% is in the UAE

52,000+
Residential units delivered in UAE till 2021

1.7 Bn Sq ft
Land bank in key countries

27%
Recurring Revenue in 2021 (generating 50% of reported EBITDA)

Progress

AED 46.1 Bn Globally
Robust revenue backlog from property sales as on December 2021

32
Hotels

AED 28.6 Bn in UAE
Robust revenue backlog from property sales as on December 2021

c. 7,100
Keys

9.1 Mn Sq ft Globally
GLA in malls and retail centres with 7.5 Mn sq. ft. in Dubai

28
New hotels in pipeline with 2/3rd under management contracts

NAMSHI
Dominant omnichannel presence

5

Pillar 5:
Attaining ESG distinction

Our key strategy to drive our business forward is to establish and develop outstanding urban centres and neighbourhoods which deliver positive outcomes for all our stakeholders on a long term, sustainable basis.

Strategy

By ascertaining and closing gaps and operating more sustainably, we are certain that we can deliver superior financial value in tandem with positive environmental and societal impact. This will include establishing a strategy for reducing embodied carbon and external commitments; developing the action plan for further reducing operational carbon; exploring greater use of recycled materials and alternatives to cement; and strengthening our governance framework to prioritise and monitor ESG.

We are also strengthening our organisation's sustainability DNA by defining and developing meaningful initiatives. We mean to establish an approach for establishing real estate climate resilience management that involves creating awareness, continuous self evaluation, and integration of standards into business practices.

We are instilling sustainability as basic hygiene practice in which each of us are environmentally and socially discerning, as well as making sound financial sense.

ESG and Aligning to SDGs

At Emaar, we believe that operating sustainably can be a source of competitive advantage. In 2021, we took initial steps to establish our Sustainability Strategy formally. To unlock possibilities, we are building strong stakeholder engagements. This involves Emaar aligning its business with the UN SDGs by engaging with our shareholders, our employees and showing commitment to the public.

At Emaar, we recognise the opportunity to advance the SDGs and this year's integrated annual report demonstrates our dedication to the important objectives embodied in the SDGs.

(See our key SDGs that we are aligned with in line with the most material aspects of interest to stakeholders on page 52.)

5

Highlights

- Establishing a strategy for reducing embodied carbon and external commitments
- Developing the action plan for further reducing operational carbon
- Exploring greater use of recycled materials and alternatives to cement
- Strengthening our governance framework to prioritise and monitor ESG
- Upgrading several facilities to be powered by solar energy; be lit by LEDs; be controlled by energy efficiency devices.

Progress

- Published our first Sustainability Report for FY2020
- Achieved a 63.43% waste diversion from landfill in 2021;
- Well established framework of policies for Code of Conduct; Anti Bribery and Corruption; Whistleblower; cyber risk and data management, amongst others.
- In the process of establishing an Executive Steering Committee for ESG matters.
- Achieved 100% compliance in Health & Safety during 2021 with respect to 'Operations without a critical incident' (from 90% compliance in FY2020)
- Implemented ISO 14001 (Environment Management System); ISO 50001 (Energy Management System); ISO 41001 (Facility Management System) and ISO 55001 (Asset Management)
- Many of the existing and new developments are EV Ready, with more than 40 EV chargers installed across assets by 2021
- Established several energy efficiency measures across our multiple assets and communities.

- Won several International and Local Awards during 2021 for best energy, community, innovation, residential and CSR management. (For the full list of initiatives, see our chapter on Sustainability page 62.)
- COVID-19: We continue to comply with a range of global standards addressing project shutdown protocols, personal screening, social distancing, PPE requirements, and protocols in the event of confirmed cases. (See our chapter on Human Capital page 60 for more on our COVID response.)
- Championing responsible employment. Read more on page 60.
- Promoting employee education. Read more on page 60.
- Integrating wellbeing. Read more on page 60.

We have a responsibility to contribute to the development of our host countries and have a significant role to play in the achievement of the Sustainable Development Goals (SDGs).

SDG Mapping

Integrating sustainability

Our environmental and social outcomes

Our Approach to Aligning with the Sustainable Development Goals

Sustainability is integrated into our strategy and decision making – it does not stand alone. We believe this is the most effective way to do things and has the greatest impact. This section demonstrates this approach in action. This section demonstrates how we are committed to supporting the UN Sustainable Development Goals (SDGs). Through the process of understanding our material issues and creating our overarching strategy, we have identified nine goals that are most relevant to our business and where we can make the most significant contribution.

Our SDG Focus Areas

At Emaar, we consistently review our functional strategy to integrate measurable activities that bolster sustainable practices within our organisation. By setting sustainability targets, we intend to demonstrate our commitment towards the responsible use of all our resources. To ensure the implementation of these sustainability initiatives, Emaar has defined a set of Key Performance Indicators (KPIs) that are applicable to all business units and assets of the company. Some KPIs are identical to the indicators proposed in the SDG Compass guide, such as energy consumption within the organisation, while others are generally aligned with the Sustainable Development Goals (SDGs) set out by the UN.

What we are doing

We recognise the importance placed on environmental, social and governance (ESG) issues by our stakeholders and we aim to integrate sustainability into all aspects of our business. To strengthen our sustainability governance, this year we are in the process of establishing a Sustainability Committee that will have oversight over issues relating to sustainability throughout our operations, and will also be responsible for overseeing the development and delivery of strategic aims and initiatives to improve our ESG performance. We recognise the threat of climate change and the importance of reducing waste. To mitigate our impact, we have introduced targets to reduce our carbon and waste intensity. We are also committed to creating social value, delivering a positive impact through our relationships with customers, the communities in which we operate, suppliers and our people.

Our Environmental or Social Outcome	Relevant SDGS	Read More
Safety and health Annual Injury Incidence Rate of 0% (Major incidents) in 2021 within the UAE	3, 8	Focus area 1: Health and Safety Page 54
Training and opportunity creation Completed over 16,300 hours in training and development	5, 8	Focus area 4: Our People Page 60
Employee engagement 100% of employees receiving regular performance and career development reviews	3, 8	Focus area 4: Our People Page 60
Wellbeing Launched a mental and physical health awareness programmes	3	Focus area 4: Our People Page 60
Equality and diversity ~26% of our workforce is female	5	Focus area 4: Our People Page 60
Strong governance and integrated risk management Establishing a Sustainability Committee in 2022	13	Risk Management Pages 102-103 Corporate Governance Report on Pages 104 - 133
Responsible procurement Supply chain contractually obliged to adhere to our Supply Chain Code of Conduct	12	Our Website: https://www.emaar.com
Five-Star customer service We develop quality, safe and sustainable communities. Our developments are resilient to a changing climate and enable our customers to lead healthy lifestyles	3, 11	Focus area 3: Our Customers Page 58
Waste Improved our overall waste segregation rate in 2019 from 48.6% to 63.43% in 2021	12	Focus area 5: Sustainability Page 62
Increase renewable energy Installed solar energy panels in Springs Souk, Ranches Souk, Gold & Diamond Park with total capacity of 2.368 MW	7, 12, 13	Focus area 5: Sustainability Page 62
Climate change Target of 5% scope 2 emissions reduction in 2021 compared to 2019	12, 13	Focus area 5: Sustainability Page 62
Delivering social value Partnered with Community Development Authority to contribute towards initiatives and donations totalling AED 3,587,416	8, 9, 11	Focus area 5: Sustainability Page 62

Section 3

Focus Area 1:

Health and safety

Performance metrics

All types of incidents involving the business in the various assets are quantified and analyzed. Factors contributing to these incidents are also considered. Those areas where there is any increase in figures will form part of discussion with Senior Management to result in formulation of improvement programs. When compared with 2020 where lockdown and restrictions due to Covid-19 were present most of the time throughout the year, 2021 saw considerable increase in the footfall and freedom from restrictions which contributed to the incident statistics.

Despite Covid-induced additional tasks, we were able to maintain low frequency rates in 2021 during the COVID-19 period, and demonstrated the diligence of our HSE and operational teams in retaining a focus on workplace & public safety in the midst of applying a range of new practices and protocols.

Fatality

It is to be noted that no fatality has resulted in any of the EMAAR assets within the UAE in 2021 as a result of direct or indirect impact of lapse in Occupational Health & Safety measures. This is due to the cohesion between the various stakeholders and the synergy achieved due to the seamless interaction created due to the comprehensive HSE Management mechanism.

COVID-19

The onset of COVID-19 resulted in significant disruptions across Emaar's operations. There was also a significant broadening in the scope of our health and safety objectives. In response to the pandemic, we developed a range of global standards addressing project shutdown protocols; personal screening for people entering our operations; social distancing applications; COVID-19 specific personal protective equipment requirements; and protocols in the event of confirmed cases.

2021 has reinforced that the health and safety of our people, and those who interact with our operations, is a significant priority for Emaar.

Upon the onset of COVID-19 cases in the UAE, EMAAR introduced and managed a COVID-19 Hotline to record, quantify, guide and manage COVID-19 cases amongst all EMAAR employees.

A large number of inspections and compliance verifications with checklists were constantly done in all locations throughout 2021 to ensure that the frequently changing COVID-19 Local Regulations are complied with.

Emergency Response Planning

Emergency management and response arrangements are carefully and promptly devised to address such scenarios with ease and professionalism. For example, emergency arrangements for the new Dubai Hills Mall is developed and communicated. This includes detailing routes to the paramedic room, the ambulance route, fire safety arrangements, and locations for the emergency cabinet and chair.

Objectives and targets

In support of Emaar's ongoing commitment to health and safety, we developed a range of objectives and targets to be applied from 2022 to help re-affirm our purpose when it comes to health and safety, as well as establishing a broader range of key performance indicators.

Seven specialized committees are formulated for a comprehensive and consistent HSE Management across all business units in addition to the existing site-specific HSE mechanism. The 7 committees are:

1. Risk assessment/ management
2. Legal and Standard compliance
3. HSE Training and Competency development
4. Inspection and field visit observations
5. Emergency and crisis management
6. Contractor management
7. Incident management and investigation

Examples health and safety initiatives that impact customers, residents and employees

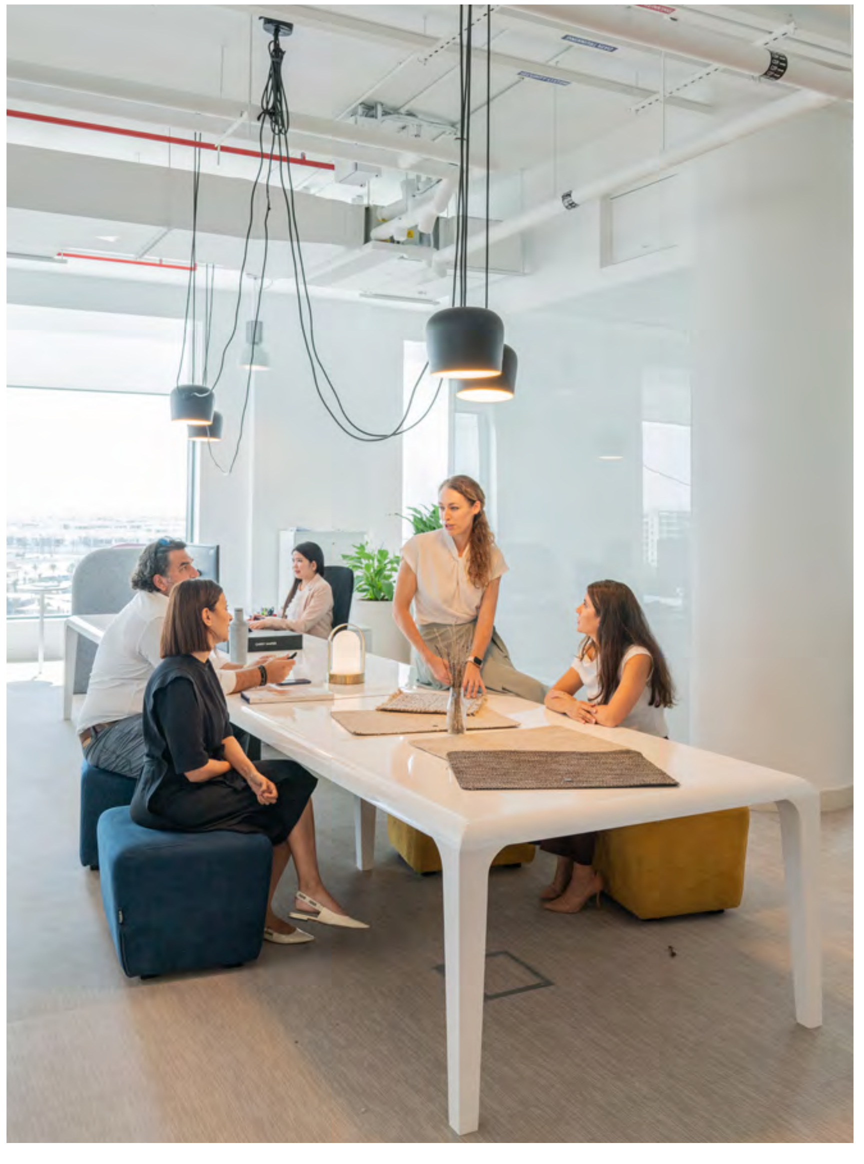
- Introduction of centralized Covid-19 Hotline to monitor and manage Covid-19 cases in EMAAR premises
- Health Camps – Free optical check, Dental check, BMI and vital signs check, nutritionist consultation
- Healthy meal days in dining halls
- Health Talks – breast cancer awareness, prostate cancer awareness among others
- Yoga and Zumba
- Timely Isolation and quarantine of ambassadors diagnosed with communicable diseases as well as those suspected ones
- Counselling and mentoring of ambassadors with anxiety related symptoms, complicated medical and surgical conditions
- Participation in community walkathons – pink walk, walk for education, walk for autism
- Multiple sports tournaments running throughout the year for all interested participants
- Emaar Hospitality has developed "Thinking forward" guidance to enhance every guest touch point with Covid-19 precautionary measures to protect our guests, our team and our partners.
- Hotels passed Bureau Veritas Safeguard Label Certification and DTCM endorsement to ensure Covid-19 protocols fully aligned with international and UAE standards.
- Health & Safety team is continuing monthly audits of health protocols related to Covid-19.

2

Focus Area 2:

Financial Capital

A strong balance sheet and access to liquidity enables Emaar to fund the execution of its pipeline and deliver quality earnings.



Our Approach to Financial Performance

Our Development, Malls, Hospitality, Entertainment, Leasing and other businesses with operations in our domestic and international markets are supported by a disciplined governance framework and a robust portfolio management strategy. We aim to generate earnings for our shareholders and deliver value for our customers through these businesses in their own right. By leveraging and combining the advantages of our integrated business model, we aim to create enhanced value for our shareholders, delivery partners and the community. Innovative design excellence, the creation of better public places, and superior sustainable solutions are some of the key value creators Emaar delivers for its stakeholders. Our portfolio management strategy provides structure and financial discipline across our operating segments, and is designed to maximise risk adjusted returns for shareholders and deliver value for our customers.

Detailed Financial Performance And Outlook

For detailed information on our 2021 financial performance, refer to the Management Discussion & Analysis section on pages 68 - 101, and the Consolidated Financial Statements starting on page 136.

Financial Strategy

How we approach portfolio management is at the core of our financial strategy. Our decision-making process when it comes to portfolio management aims to:

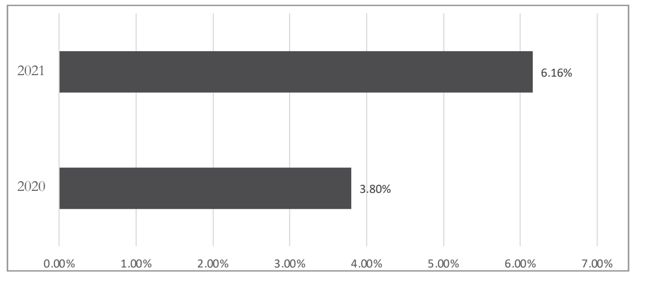
- Maximise long term shareholder value through a diversified, risk adjusted portfolio
- Leverage the competitive advantage of our integrated business model
- Optimise our business performance relative to the outlook for our markets on a long-term basis
- Provide financial strength to execute our strategy, maintain an investment grade credit rating, and capacity to both absorb and respond to market volatility.

At Emaar, we continuously review these objectives in conjunction with our overall strategic review.

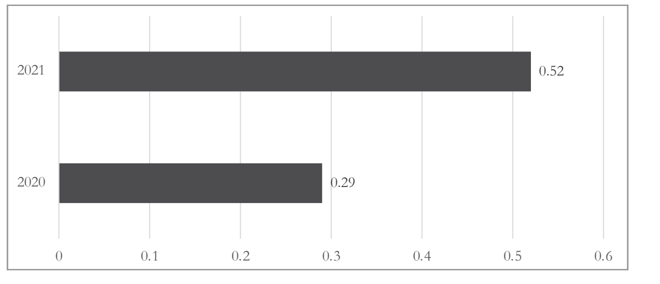
How we measure Financial Performance

When measuring financial performance, we focus on Net Debt-to-EBITDA ratio, Return on Equity and Earnings per Share to measure our ability to pay debts and the returns we achieve for our shareholders.

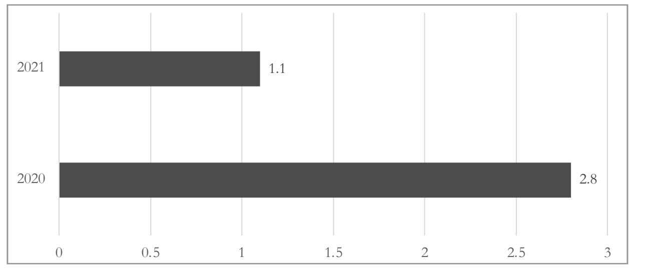
ROE



EPS

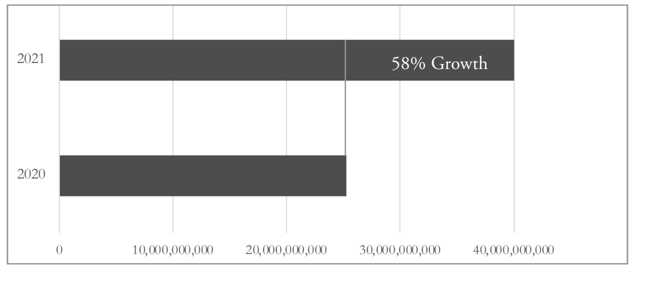


Net Debt/EBITDA



The net debt-to-EBITDA ratio demonstrates the Company's ability to genertae funds and maintain debt at optimum levels. The reduction of the Net Debt / EBITDA ratio from 2.8 in 2020, to 1.1 in 2021, demonstrates Emaar Properties' ability to comfortably serve its debt.

Market Capitalisation* (AED) as on 31st December



* Including capitalisation growth caused by the merger of Emaar Malls with Emaar Properties in Nov 2021, increasing the number of outstanding shares in 2021 for Emaar Properties PJSC.

Focus Area 3:

Our Customers

Our customers range from individuals to the largest government, investment and corporate organisations.

Successful customer relationships depend on our ability to understand what is truly important to customers and then delivering what they want. We understand Emaar has the unique opportunity to greatly impact community health and wellbeing, enabling our customers to live an appealing lifestyle. Taking care of the people who visit, live, work, play and invest in our communities is at the heart of our efforts and guides our actions as a company.

Customer Experience Research

At Emaar, we continuously engage with our customers through various initiatives to help us understand how customers perceive their experiences with us and identify where we can improve. It also guides decision making on customer experience improvement planning and new product and service development.

Customer Experience Improvement Initiatives

Customer Excellence at Emaar puts the customers at the centre of everything we do. All employees do their best to ensure we deliver the product or service that the customers need. In doing so, Emaar aims to achieve long-term customer satisfaction which, in turn, helps us to maintain a sustainable competitive advantage.

We have fundamentals that we follow in all customer excellence departments within Emaar and we are constantly seeking feedback from our customers:

- To understand and be clear on what our customer needs
- Adding value by driving significant business decisions and service enhancements through meaningful insights and data analytics
- Communicating effectively to enhance customer experiences
- Empowering our customer-facing staff to defined operational excellence standards
- Listen and learn to provide a solid customer foundation focus

Indoor Environmental Quality

Indoor Environmental Quality category focuses on maintaining a clean indoor air quality within the facility, smoking free buildings, thermal comfort conditions, natural daylighting, glare control, internal noise, internal cleaning and humidification. This has a direct impact on the wellness of building occupants, and it impacts their productivity and level of comfort, therefore we implement the following sustainability measures in our facilities to ensure health and safety of our occupants:

Indoor Air Quality

Our goal is to ensure that all our buildings are ventilated with a minimum amount of outdoor clean air by Fresh Air Handling Units, or naturally ventilated by providing passive ventilation through operable windows or roofs. The quality of indoor air is measured by the level of Carbon Dioxide (CO_2) inside the building, the size of outdoor air particles (such as dust), the amount of Carbon Monoxide (CO).

Smoking Free Buildings

We believe that our building occupants should be protected from exposure to smoke generated from tobacco to ensure their health and safety. This is achieved by implementing a policy prohibiting smoking inside our buildings and prohibiting smoking within 7.5 meter from building entrance, windows, or fresh air intakes. Additionally, designated smoking areas have been allocated around the building where mechanical or natural ventilation is sufficient.

Focus Area 4:

Our People

Our people are the greatest contributors to our success and enable us to fulfil our vision to create the best places.

As we continue to grow our influence internationally, the way we work is evolving. Together with our partners, we aim to deliver large scale projects faster by drawing on innovation, knowledge sharing, leadership excellence and our diverse and capable workforce. Our ambition is to create a work environment that:

- Values and cares for its people, with safety and wellbeing as our priority
- Has inspirational leaders who others aspire to emulate
- Is team-oriented, inclusive and diverse
- Fosters a unique culture that balances innovation, knowledge sharing and risk management.

To support these ambitions, our people strategy has focused on developing leadership excellence, codifying and sharing knowledge globally, creating a consistently positive employee experience, and developing and deploying our talent globally.

Developing and Deploying Key Talent

As the scale of our projects increases, we continue to invest in developing the capability of our people to deliver. This investment is across all career stages.

In 2021, Emaar provided over 16,300 hours in training and development to its employees.

New End to End competency-based Talent Acquisition process: We initiated a new recruitment process to focus more on a structured approach that follows a consistent competency framework for each grade level. This process involves immersive candidate experiences.

Internship Programmes: In 2021, we had physical internships from American University of Dubai (AUD), American University of Sharjah (AUS) and Herriott-Watt with a total of 10 students participating. The interns worked closely with the business on specific research-based projects that have been crafted to add value to the organisation in a variety of different areas for 8 weeks.

Emaar Leadership Academy: We designed the Emaar Leadership Academy that consists of five development programmes from the executive level and senior managers up to mid-to-front-line managers. The leadership programme "Future Focus Pilot" was launched as part of the Leadership Academy, wherein 23 Top Talents graduated the program, including 5 Emiratis. The Future Focus Leadership Programme was piloted to the selected high potential talents as an initial development ground to solve high-priority organisational problems, working through the innovation and framework designed by an expert consultant to build and present solutions for our Executive Leaders.

Top Talent Recognition and Engagement Program: We invested in assessing internal leaders and recognised top talents within the organisation to lead key projects that will have a strong impact and disrupt the business. New groups of top talent are identified every 6 months, and projects assigned to them based on their expertise and competencies as evaluated by a case study assessment.

Revamped Performance Management Framework: We introduced new elements in leaders scorecards such as Innovation, Risk Management, Succession Planning for Critical roles, Learning and Development to have a well-balanced scorecard.

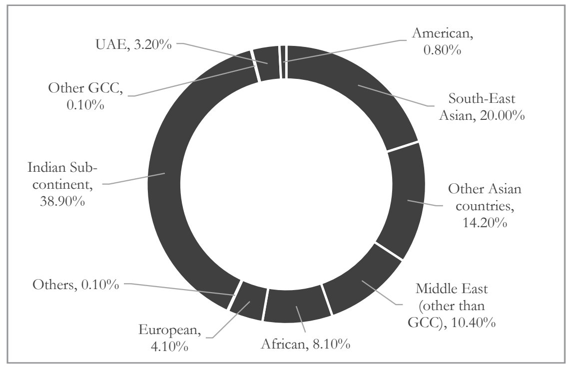
KPI Heading	FY2021
Percentage of employees receiving regular performance and career development reviews	100%

The Employee Experience

Listening to our people helps us create an environment and experiences that support our employees. It provides an environment where our people are recognised and rewarded for living our values and building our culture to create the best places. We continuously communicate and engage with our people in designing and evolving how we work to foster greater enterprise-wide collaboration, continuous learning and open and transparent dialogue.

We are also committed to promoting the fair treatment of all employees in the workplace. We have systems in place to investigate any instances reported and ensure issues are addressed appropriately in the interests of the employee and the Company, all of which are supported by various policies. Furthermore, Emaar recognises and prioritises the importance of the employees' wellbeing and their health and safety while working under diverse businesses and environments. Dedicated HR Business Partners are available across business units to oversee and address employee-related issues as a point of contact, which is supported by employee feedback through a range of channels (e.g. surveys, internal feedback forums).

Diversity and Inclusion at Emaar for 2021



	FY 2021	FY2020	FY 2019
Female share of total workforce	**26.0%**	26.5%	28.2%
Females in all management positions, including junior, middle and senior management (as % of total management workforce)	**25.2%**	26.4%	29.2%

Wellbeing

Emaar has always focused on the health and wellbeing of its people and developed a holistic framework and initiatives to promote and support this focus. We run periodic Health Camps that offer free optical, dental BMI and vital signs checks, along with nutritionist consultations and healthy-meal days in dining halls. Periodic Health Talks help raise awareness of chronic diseases such as breast and prostate cancer. We also prioritise mental health initiatives with regular Yoga and Zumba activities. This is supported by providing easy access to counselling and mentoring to help with anxiety. We also prioritise the importance of physical health through encouraging participation in community walkathons for various causes such as the pink walk, talk for education or the walk for autism, along with multiple sports tournaments throughout the year.

Additionally, we supported multiple vaccination initiatives working with the local government to offer first, second, and booster doses at our Emaar locations, ensuring top priority is given to our employees and their families safety and health.

Health and Wellbeing Response to Covid-19

In response to COVID-19, Emaar put in place a range of measures across our global operations to support our people's health and wellbeing.

- Emaar Hospitality has developed "Thinking forward" guidance to enhance every guest touch point with Covid-19 precautionary measures to protect our guests, team and partners.
- Hotels passed Bureau Veritas Safeguard Label Certification and DTCM endorsement to ensure Covid-19 protocols were fully aligned with international and UAE standards.
- Health & Safety team is continuing monthly audits of health protocols related to Covid-19.

5

Focus Area 5:

Sustainability

Sustainability is about enabling the creation of the best places and meeting future needs of our stakeholders. At the core of our decision-making process, we endeavour to be a trusted partner who can deliver efficient, healthy, resilient, culturally and socially inclusive outcomes that deliver long term value.

As the leading real estate developer in the region, we recognise the responsibilities we have as a Group in adapting our operations and the assets we build to help tackle climate change. We are committed to reducing carbon emissions and waste in our business activities and have established new carbon and waste reduction and renewable energy targets. We aim to reduce the impact our homes and developments have on the environment, create developments that are future proofed for a changing climate and deliver social value for our customers and communities in which we work.

Our Strategic Alignments

- UAE Net Zero 2050
- UAE Vision 2021
- Dubai 2040 Urban Master Plan
- UAE Green Agenda 2015-2030
- Paris Agreement
- UN Sustainable Development Goals

As we align ourselves with UAE's and international strategic goals to build and operate in more sustainable ways, we have initiated and participated in several strategic initiatives that will align with our goals.

- This year, we launched the Emaar Global Construction Innovation and Sustainability Challenge to encourage participating startups to pitch their innovative ideas over a two day live session in Dubai, from which the best ideas are piloted.
- We have collaborated with the Dubai Future Foundation in developing a roadmap towards future Emirati housing. This involves developing the codes & regulations and technology & innovation strategy to enhance construction efficiency.
- We have also collaborated with the UAE Minister of climate change to participate in the "Decarbonisation of cement industry"discussions that will have a significant impact on the development industry.
- We are working on the gap identification to obtain LEED certification for our portfolio.

Reducing energy and carbon in our operations

Our progress

This year, we introduced strategies and implemented certain initiatives to target and reduce our scope 1 and 2 carbon emissions intensity across our Group operations. Our use of sustainable district cooling and the increased use of solar panels on site and parking roofs has led to a reduction in our consumption of carbon in operations.

The below is considered as scope 2 emissions based on the definition that we are purchasing electricity from the utility/energy provider.

*Note: As a result of the pandemic in 2020, several facilities were locked down in compliance with government requirements. In light of this 2020 is an outlier, and hence 2019 has been used as the baseline/comparative year.

Emaar Properties

KPI	Unit	2019*	2021
Electricity	Metric tonnes CO_2	108,012	97,770
Cooling	Metric tonnes CO_2	48,745	46,096

Case study: Implementing our renewable energy strategy

	Percentage of solar energy capacity in 2021	Cost saving in AED / year
Spring Souk	14%	7.1%
Ranches community	32%	19%
Gold & Diamond Park	18%	8%

Our priorities in 2021

2.368 Mw
Renewable energy capacity in 2021

63.43%
Waste segregation rate achieved in 2021

5

Case Study

Affordable and Clean Energy

We completed several projects that focussed on replacing halogen bulbs with LED lights. At the Burj Khalifa, we replaced a total of around 3,200 bulbs, which resulted in a reduction of around 3,900,000 KWH in electricity consumption per year, reducing out carbon emissions by around 190,251 kg CO_2 per year. We also implemented continuous energy centred monitoring initiatives, which enabled to take proactive actions towards optimising our building energy performance. Similar initiatives have been implemented across Emaar developments and properties to have a further combined impact on our electricity consumption and carbon emissions.

Sustainable District Cooling

Why it matters

Green, clean, efficient and climate friendly cooling through the use of sustainable, energy-efficient, environmentally friendly engineering solutions and practices is important to Emaar to ensure its customers receive the best quality service. Our district cooling service revolve around energy and water efficiency, reducing carbon emissions, and sourcing equipment in responsible and ethical ways.

Responsibility

Emaar's district cooling arm, Emaar District Cooling (EDC) is committed to fulfilling its long-term vision of shaping a sustainable energy landscape across the UAE and reducing carbon emissions in the process. By taking an intelligent approach to everything they do, EDC is known as one of the leading providers of district cooling services in the region. EDC is well-recognised in the District Cooling sector in Dubai, who garnered prestigious awards from CPI Industry such as the District Cooling Utility Provider, District Cooling Company and O&M Company of the year (Chilled Water Plant) for the years 2018, 2019 and 2021 for the IoT Integration Initiative of the Year Award from CPI's Climate Control Awards. In addition to being a member of IDEA (International District Energy Association) from 2018-2019, EDC was presented with a Carbon Champion Award by IDEA for its outstanding contribution to the reduction of CO_2 emissions through deployment of highly efficient district cooling services in the Gulf Region.

A Green Solution

KPI	2019	2020	2021
Carbon Emissions Savings (CO_2)	17,995	34,102	**56,030**
Energy Efficiency (kWh/TRH)	0.80	0.73	**0.71**
Water Management Efficiency (Ukg/TRH)	1.73	1.63	**1.18**

To reduce the potable and TSE water for District Cooling application, EMAAR has recently completed the construction of a District Cooling Plant integrated in a Tower Basement floor in Emaar Beachfront utilising a Direct Sea water system. This will enable EDC to achieve substantial reduction in the water footprint. The advantages of Seawater Intake & Outfall System are that it is more environmentally sustainable, reduces costs and also provides an alternative to consumption in areas where potable water / TSE is not available reduce the overall carbon footprint. It also removes the need to utilise desalinated or fresh water, including TSE water, thereby adhering to the sustainability goals of Dubai Government.

Reducing waste in our construction operations

Our progress

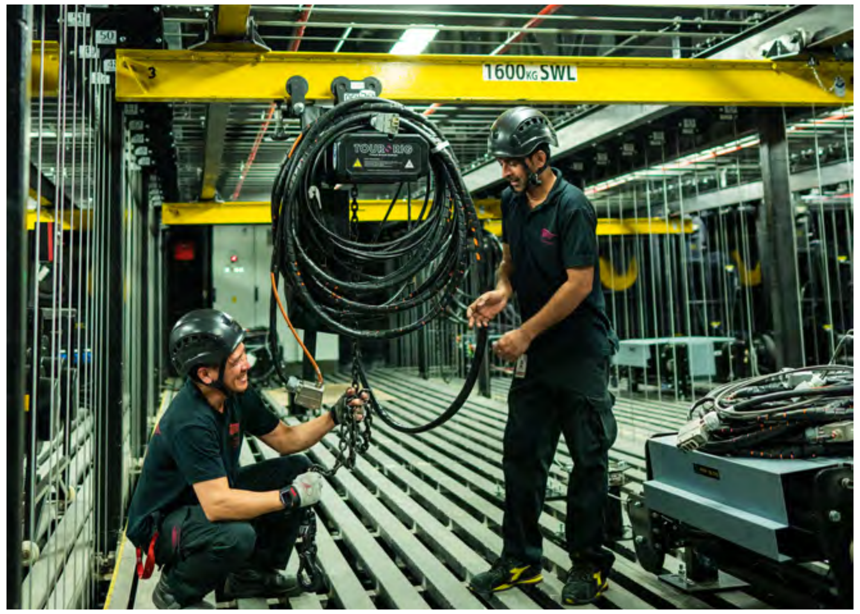
Through implementing thorough internal reviews of consultant submitted structural designs, we achieved optimal material usage efficiency by investigating sensitivity changing several parameters in the design. Overall, these design reviews had a significant sustainable impact as this led to material savings of roughly 10 to 15% in terms of concrete and reinforcement usage. This led to the added reduction in building weight, which in turn then reduced foundation requirements, again reducing material consumption.

Emaar's district cooling arm is committed to fulfilling its long-term vision of shaping a sustainable energy landscape across the UAE and reducing carbon emissions in the process.

Case Study

Emaar won the Big 5 – Sustainability initiative of the year 2021 award for the following initiative:

Independent from the above-mentioned material savings, Emaar, together with DM, had an active role in investigating and providing a formal design and review procedure through the establishment of clear revised structural design guidelines for Dubai. This reduced lateral and vertical loads on buildings significantly (for example, wind and seismic forces reduced by 35%), which in turn led to a potential material reduction of 20% to 25% in terms of concrete and reinforcement. As a result, the façade requirements decreased due to reduced wind loads, resulting in an overall reduction of 15% in CO_2 emissions. As this review process has now been released as a part of the Dubai Building Code, the impact of our contribution will dictate how all new buildings in Dubai are designed with sustainability in mind.



3DMR Concrete printing

In our efforts to further reduce our material usage, we are investing in cutting edge technology to be at the forefront of building more sustainable buildings. To move towards building more sustainable assets, we successfully completed a prototyping exercise using a first-of-its-kind 3D printed home in Arabian Ranches III. This initiative is in line with a directive from His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE, and Ruler of Dubai, to construct 25% of buildings in the Emirate using 3D printing technology by 2030.

Modular construction

We worked with Dubai Municipality to approve a high-rise modular buildings system that brings significant benefits to the construction process. Using this system, we are able to implement enhanced quality assurance in the factory, and incur significant savings in construction time (up to 40%) on site, reducing the environmental impact of the overall construction process.

Responsible Procurement

Our supply chain partners are critical to the performance and sustainability of our operations. They play a significant role in supporting us to reduce our environmental impact and operate safely and efficiently. Where possible, we work with local suppliers to support the local economy and reduce transport emissions.

Human rights and our Supply Chain Code of Conduct

We apply strong principles, acting in an ethical manner and respecting human rights in our own business and across our supply chain. Our Supply Chain Code of Conduct (Supplier Code) sets out requirements concerning environmental and social matters. It includes a requirement for supply chain partners to manage their business operations in a manner consistent with the Modern Slavery Act. The Supplier Code also mandates safe working practices, treating people with respect and minimising impacts on the environment. All supply chain partners are contractually obliged to adhere to our Supplier Code.Both our Supplier Code and Anti-slavery and human trafficking statement are available on our website.

Delivering Sustainable Communities

Developing and managing spaces that people love is one of our five strategic priorities. Attractive placemaking helps us deliver appealing, diverse and well-connected communities where people and nature can thrive. It enables us to mitigate and manage the impacts of climate change, improve biodiversity and deliver developments that are resilient for the future. We work with ecologists to put plans in place to protect and enhance natural habitats and biodiversity on our developments. We also recognise the value of accessible green space for people's wellbeing. Where possible across our developments, we prioritise the inclusion of green spaces for the community. Infrastructure to promote sustainable and healthy living – including cycle lanes, footpaths and good access to public transport – are incorporated into our developments.

Our business activity creates many other socio-economic benefits. We create new employment opportunities for local contractors, apprentices and graduates, as well as supporting employment in our supply chain through our spend on materials and labour. This benefits local communities through the provision of sports and educational facilities, public art, community buildings, transport improvements and environmental protection and enhancement measures.

Community Engagement

Charitable giving

The Emaar Foundation that serves as the group's apex entity to drive corporate social responsibility (CSR) initiatives regionally and internationally. The Emaar Foundation Board has been constituted with Ahmad Al Matrooshi of Emaar Properties.

With the objective of positioning Emaar as a global leader that inspires humanity through its CSR initiatives, Emaar Foundation is fully aligned to the company's brand values of industry thought leadership and its commitment to making a tangible contribution to support the communities in which it operates.

In 2021, the Foundation contributed to number of initiatives related to the development of the local community. Below are some examples:

- World Autism Awareness Day, in collaboration with Dubai Autism Center – 2nd April 2021
- World Down-Syndrome Awareness Day, 21st March 2021
- Breast Cancer Awareness Month, October 2021
- Emirates Red Crescent Education Initiative to support the children of low-income families in the UAE and providing them laptops and tablets.
- Emaar Vaccination Drive. Emaar successfully vaccinated over 5,000 of its employees, their family members and those employed by Emaar's entities over five days.
- Iftar for Service Providers. Emaar Community Management supplied 188,640 Iftaar meal to the community's service providers across 12 communities and service provider campsites.
- Emaar's Partnership with Community Development Authority, which translated into many initiatives and donations totaling AED 3,587,416.
- Emaar has dedicated over USD10 million for the Economically Weaker Section (EWS) housing projects in India since 2017.
- Emaar Misr: second phase of Beyout Al Kheir (housing units for underprivileged families) were delivered in Luxor, Assiut, Beni Suef, and Sharqiya.
- In 2021, Emaar Misr made a donation of c. EGP 89m to Tahya Misr, a fund working towards poverty alleviation, encouraging public-private partnership for sustainable development and meeting the needs of financially disadvantaged in Egypt.
- March 2021, International Mother's Day.
- April 2021: Ramadan greetings projection on Burj Khalifa and the launch of a new Dubai Fountain show featuring the voice of AlAfasi.
- May 2021: Eid Al Fitr Show and the new Emirati song debuts at The Dubai Fountain, "Esmaha Dubai", by Emarati music composer and director Mohamed Al Ahmed.
- July 2021: Eid Al Adha projection on Burj Khalifa and Dubai Fountain Eid shows.
- Oct 2021: Expo2020 Dubai special projection show launch on Burj Khalifa, along with Expo's song launch at The Dubai Fountain.
- Nov 2021: Diwali Celebrations greeting projection on Burj Khalifa with a special Indian music show at The Dubai Fountain.
- Dec 2021: The UAE 50th National Day special show and greetings projected on Burj Khalifa and the UAE National Anthem is played at The Dubai Fountain.
- Dec 2021: Emaar NYE 2022 "Eve of Wonders" celebrations & fireworks light up Dubai sky in a show broadcast to an estimated 3 Billion viewers worldwide.
- Throughout 2021, Emaar Entertainment consolidated its partnerships with a number of charity and humanitarian entities to welcome orphans, as well as low-income families and their children to its attractions:
  - International Charity Organization (ICO): A UAE, Ajman based International charitable and humanitarian organization.
  - Dubai Women Establishment (Al Manal initiative in partnership with the Emirati Red Crescent and Sama Dubai).
  - Family Village under Dubai's Community Development Authority.
  - Al Mizhar Center (an early detection clinic under Dubai Health Authority).
  - Sharjah Social Empowerment Foundation.
  - Beit Al Khair Society.
- Emaar Hospitality Group contributed the following initiatives:
  - Food wastage monitoring using Winnow Solutions systems.
  - Partnership with UAE Food Bank across Armani Hotel Dubai and Address Hotels.
  - Digital in-room systems in collaboration with Digivalet.
  - Online booking for both Rooms and F&B through U By Emaar app.
  - Rehashing Operation NXT LVL in the Downtown cluster.

Section 4

Management Discussion & Analysis

Global Economy

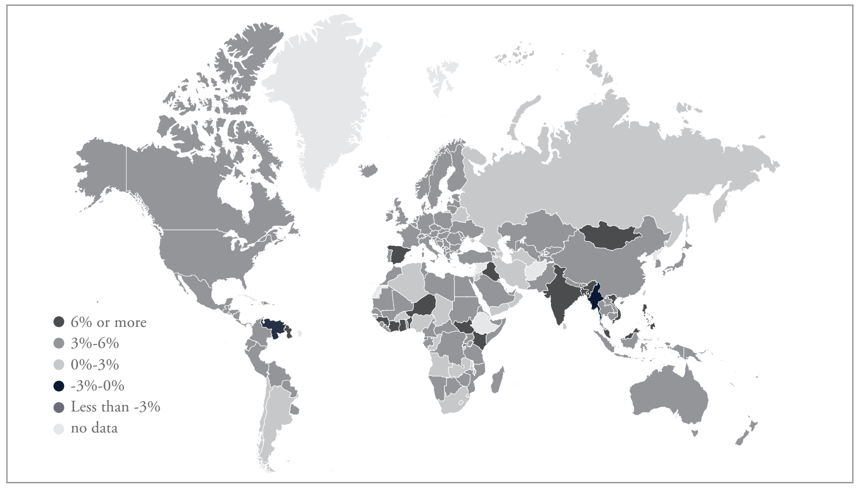
The global economic recovery began taking shape in 2021 and is continuing into 2022, even as the pandemic persists in various parts of the world. The robust recovery in 2021 marked the highest growth rate in more than four decades, and was driven by strong consumer spending and some uptake in investment, with trade surpassing pre-pandemic levels. This was despite multiple supply disruptions for many goods and products, and worsening pandemic dynamics for low-income developing countries, and the highly transmissible Omicron variant of COVID-19 unleashing new waves of infections. However, the recovery during 2021 was uneven within economies. The labour market became imbalanced, with many people struggling to find jobs, while many businesses in several sectors have difficulty recruiting workers. A shortage of workers in some sectors also reflects a decline in labour force participation rates in most OECD countries. Imbalances also remain across industries, with sectors dependent on interpersonal contact such as travel, tourism and leisure continuing to suffer, while demand for consumer goods has been strong, especially in the United States and Europe.

According to the International Monetary Fund, the global economy grew by an estimated 5.9% in 2021. Yet the momentum for growth – especially in China, the United States and Europe – slowed considerably by the end of 2021, as the effects of monetary and fiscal stimuli began to recede and major supply-chain disruptions emerged. Rising inflationary pressures in many economies are now posing additional risks to recovery.

Going forward, the INTERNATIONAL MONETARY FUND expects the global economy to moderate to 4.4% in 2022. A revised assumption removing the Build Back Better US fiscal policy package from the baseline, earlier withdrawal of monetary accommodation in multiple countries, and continued supply shortages and logistical bottlenecks are some reasons for a more conservative estimate for 2022. Furthermore, in China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers are other key reasons for downgrading 2022 growth. Looking further ahead, INTERNATIONAL MONETARY FUND expects global growth to slow to ~3.8 percent in 2023.

In the meantime, the rebound continues to lose momentum in 2022 as inflation pressures have emerged in most economies, as disruptions in energy, food and commodity markets have pushed up prices; high energy prices and fuel shortages are limiting manufacturing of key materials and intermediate goods; and bottlenecks in production chains are spreading to more generalised shortages of goods.

Real GDP Growth (YoY percent change 2021)

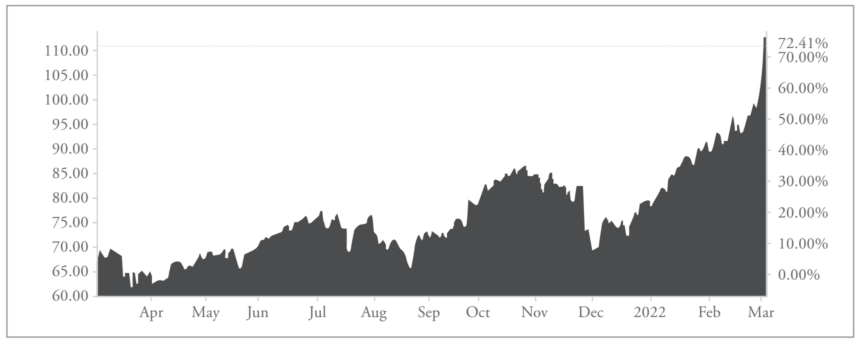


Source: International Monetary Fund

The recent conflict between Russia and Ukraine has added more fuel to the fire, attaching significant economic risk for the global economic recovery. The United States and European powers have stepped up unprecedented economic sanctions against Russia, which economists warn could also bite the global economy. Among multiple levels of sanctions, Washington and Brussels have targeted major Russian banks, cutting them off from SWIFT, the global messaging system used for moving money around the world. These sanctions and a prolonged conflict are expected to disrupt the supply of many commodities that Russia and Ukraine are dominant suppliers of, causing further stress to global supply chains.

Global oil demand is set to surpass pre-pandemic levels in 2022 as fears over the latest coronavirus wave subside, creating the potential for another "volatile" year of oil prices. Oil prices are currently soaring high at levels not seen recently, caused by the economic revival driving demand for oil and oil-based products. Geopolitical tensions between Russia and Ukraine and increased instability in the Middle East are adding to oil market nervousness. An increase in oil price will not only be seen at gas stations, but it will be felt in virtually all the goods and services consumers use. Now amplified by energy price shocks, inflation has become a global public concern.

Oil (Brent) Price Movement



Source: https://markets.businessinsider.com

Management Discussion & Analysis

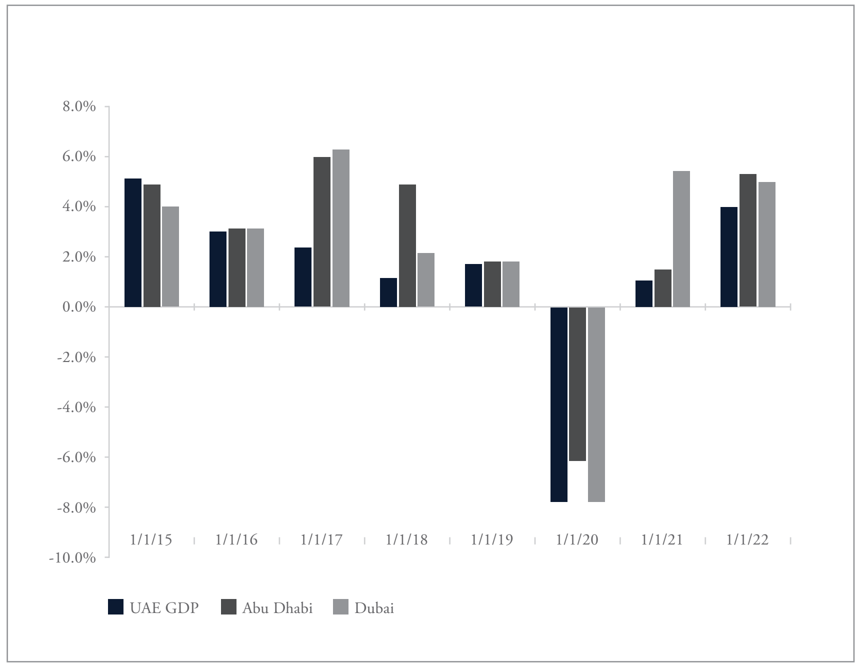
UAE's Economy

The year 2021 will be remembered for how successfully the UAE countered the coronavirus pandemic, as it rolled out one of the most effective vaccination programmes in the world. It will also be noted for the strategic interventions and announcements made for major projects to boost the country's economic performance.

As per The World Bank, despite the disruptions caused by the Covid-19 pandemic, the UAE's GDP rose by 2.6% YoY in 2021, supported by the growth of non-oil GDP of 3.8 percent (Source: UAE's Central Bank). According to the UAE's Central Bank, economic activity in the UAE continued its recovery through the second quarter of 2021, with growth reaching close to the pre-pandemic level. The World Bank forecasts that the UAE's economic growth is expected to accelerate in 2022 compared to 2021, growing at 4.6% in 2022 against 2.6% in 2021. In addition to higher oil prices, non-oil sectors such as travel and tourism, real estate, hospitality, aviation, and manufacturing started to perform better in 2021, especially since the beginning of the Expo 2020 Dubai, a major driving force for the country's economic growth in the last quarter. Travel to and from the UAE also normalised during 2021, as the UAE's national air carriers also rebounded from the impact of the pandemic, managing to restore flights to nearly 500 destinations across 110 countries. This bodes well for the tourism and hospitality industry, showcasing the resilience of the UAE economy.

According to Knight Frank Research's report on 'UAE MARKET REVIEW AND FORECAST 2021', looking ahead GDP growth rates between Abu Dhabi and Dubai are initially expected to fragment, where Abu Dhabi and Dubai recorded growth rates of -1.6% and -5.4% in 2021, and forecasted to converge to 5.3% and 5.0% in 2022 respectively.

UAE GDP, Year-on-Year Change



Source: Knight Frank Research; Central Bank of UAE

The drivers of the UAE's economy in 2021 included multiple pillars, including the launch of an industrial strategy worth AED300 billion, the start of trading in Murban crude oil, the launch of the first phases of the 'Projects of the 50', Expo 2020 Dubai and the announcement of President Sheikh Khalifa bin Zayed Al Nahyan of the most significant legislative reform in the country's history. Other key economic plans announced by the UAE Government in 2021 included an industrial strategy to boost the sector's contribution to national GDP to AED300 billion, compared to the current AED133 billion. It also revealed a plan aimed at doubling foreign trade value to AED3 trillion during the same period, an increase of AED1.5 trillion, while also investing nearly AED600 billion in renewable energy to achieve climate neutrality by 2050 .

The country's economic objectives also included generating economic proceeds amounting to AED200 billion through the UAE Railway Programme; increasing the contribution of the National In-Country Value Programme from AED22 billion to AED55 billion by 2025; and doubling foreign investments in the country to AED1 trillion in nine years, an increase of AED550 billion. The country also plans to achieve an annual increase of AED45 billion in exports across 10 foreign markets through 10×10 Programme.

In October, the Ministry of Industry and Advanced Technology signed agreements with 12 industrial entities to form the Champions 4.0 Network, which aims to kickstart the newly announced Fourth Industrial Revolution programme, known as UAE Industry 4.0. In November 2021, President Sheikh Khalifa bin Zayed Al Nahyan amended over 40 laws to enhance the country's economic environment and investment infrastructure.

The World Bank forecasts that the UAE's economic growth is expected to accelerate in 2022 compared to 2021, growing at 4.6% in 2022 against 2.6% in 2021.

AED 600 Bn
Planned investments by UAE in renewable energy to achieve climate neutrality by 2050

2.6%
UAE's GDP YoY growth in 2021

Management Discussion & Analysis

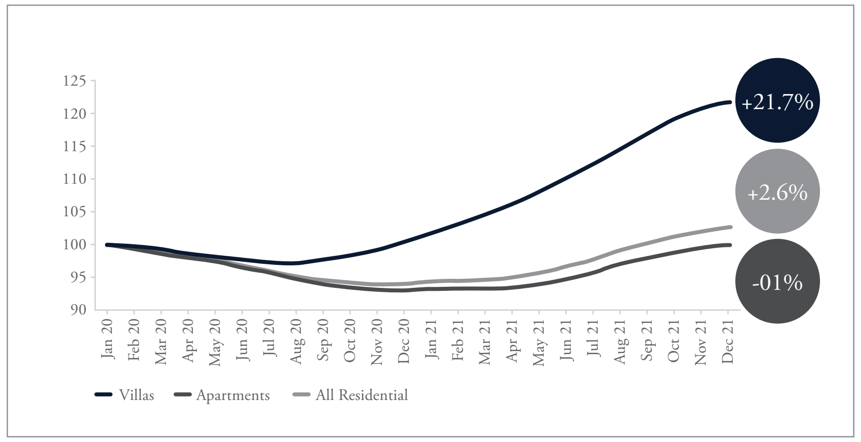
Record number of US$10m home sales indicate a strong appetite for ultra-luxury residences.

Realty Industry

UAE Residential Market

Despite Dubai seeing some of the most stringent lockdown measures in the UAE throughout the early stage of the pandemic in 2020, residential demand was relatively resilient in 2021. According to Knight Frank, 2021 was a record year for Dubai with respect to the residential market. During 2021, Dubai's residential market recorded over 52,000 apartment and villa transactions, totaling AED 114.2bn, more than the total for 2019 and 2020 combined. The year also witnessed a rapid pace in property price increases, as shown below. In the 12 months to the end of 2021, average residential prices increased by 9.2%, the quickest pace of growth since Jan 2015. Villas on the other hand experienced average price gains of 21.7% as the pandemic fueled the race for space. This, combined with a rush of wealthy international buyers targeting the emirate's most expensive homes has underpinned the boom in villa prices.

Average transacted prices since the start of the pandemic - All residential property



Source: Knight Frank, "Dubai's COVID Comeback" 2022, REIDIN

58k*

2022 planned deliveries in DUBAI (units)

* Based on the past experience, actual deliveries have typically been in the range of 45% to 50% of the planned deliveries.

9k

2022 planned deliveries in ABU DHABI (units)

Source: JLL's 'The UAE Real Estate Market Research | A Year in Review 2021'

Key Drivers behind Strong Residential Performance in Dubai

Dubai's long held mantra of 'build and they will come' is gradually evolving into a 'build it and they will come and stay' philosophy. This important change in the demand dynamic is contributing to the realisation of Dubai's vision as an alluring destination. This change is now accelerating to place the emirate in far stronger position than many other global gateway cities, which are still grappling with the impacts of the pandemic.

According to Knight Frank, Dubai's deep supply pipeline may not be such a key downside risk to the market's outlook. Between 2022 and 2025, some 97,000 units are scheduled to be delivered, making 2022 supply numbers alone the highest number of new home completions since 2009. However, taking reality into account, the developers' ability to be flexible on rolling forward their phases on the masterplans to suit demand cycles, and inevitable delays to construction schedules will mean a more manageable supply pipeline for demand to absorb.

Delivering Outperformance

1. Faster recovery from Covid due to being most vaccinated nation in the world
2. Economic activity surging causing demand for space
3. Job growth driving demand for residences
4. Record number of US$10m home sales indicate strong appetite for ultra-luxury residences
5. New UHNWI buyer profiles enter the Dubai market
6. Pricing continues to look attractive relative to demand
7. Normal luxury residential stock still relatively affordable
8. Shortage of ultra-prime residential stock driving new pipeline
9. New residency visa options causing inbound migration
10. Deregulation for businesses causing influx of company formation & investments

Management Discussion & Analysis

Dubai Office Market

According to JLL, the total stock of office units of Dubai currently stands at nearly 9.1 million sq m of GLA. There are a number of new initiatives that have been launched to boost demand for the commercial real estate in Dubai such as introduction of One Free Zone Passport which allows free zone companies to extend their operations to mainland Dubai. DIFC, DWTC, DAFZA and DMCC are among the free zones to have signed agreements with the Department of Economic Development to offer dual licenses.

2021 witnessed strong influx of enquiries from financial, legal and technology firms vying to locate in Dubai. Thanks to the pandemic-induced uncertainty about future business conditions and changes in employee preferences, there has been a surge in interest for flexible space options such as serviced business centres. Occupiers have also expressed interest in good quality fitted office space in an effort to minimise capital expenditure due to constrained budgets.

According to JONES LANG LASALLE reports, during 2021, approximately 138,000 sq. m. and 15,000 sq. m. of office space was completed in Dubai and Abu Dhabi, respectively. As a result, the total stock in Dubai climbed to 9.1 million sq. m. and reached 3.9 million sq. m. in Abu Dhabi. In 2022, around 70,000 sq. m. of office floorspace is expected to come online in Dubai and over 128,000 sq. m. in the capital. However, despite the additional space coming online, the availability of office space continued to edge down in both cities. Vacancy rates for Dubai and Abu Dhabi reached 19% and 26%, respectively, in the final quarter of 2021.

There are a number of new initiatives that have been launched to boost demand for the commercial real estate in Dubai.

70k
2022 planned commercial deliveries in DUBAI (sq m GLA)

128k
2022 planned commercial deliveries in ABU DHABI (sq m GLA)

Source: JLL's 'The UAE Real Estate Market Research | A Year in Review 2021'

Management Discussion & Analysis

Thanks to the Expo event and strong leisure demand, Dubai's occupancy rate reached 63% in 2021 – up significantly from 40% in the corresponding period last year.

UAE Hospitality Market

According to JLL, the hospitality sector witnessed a significant increase in 2019 across key cities in the UAE. Abu Dhabi's supply of hotel & hotel apartment keys increased by approximately 1,500 in 2021, bringing the total supply to 32,000 keys. In Dubai, the total number of hotel and serviced apartment keys reached to around 140,000. In Dubai, the delivery of 5,600 keys in 2021 was the smallest annual increase since 2013.

This was largely due to the impact of the pandemic on travel, which led developers to either delay projects or shelve them altogether.

An additional 16,000 keys in Dubai and 1,200 keys in Abu Dhabi are expected to enter the market by the end of 2022.

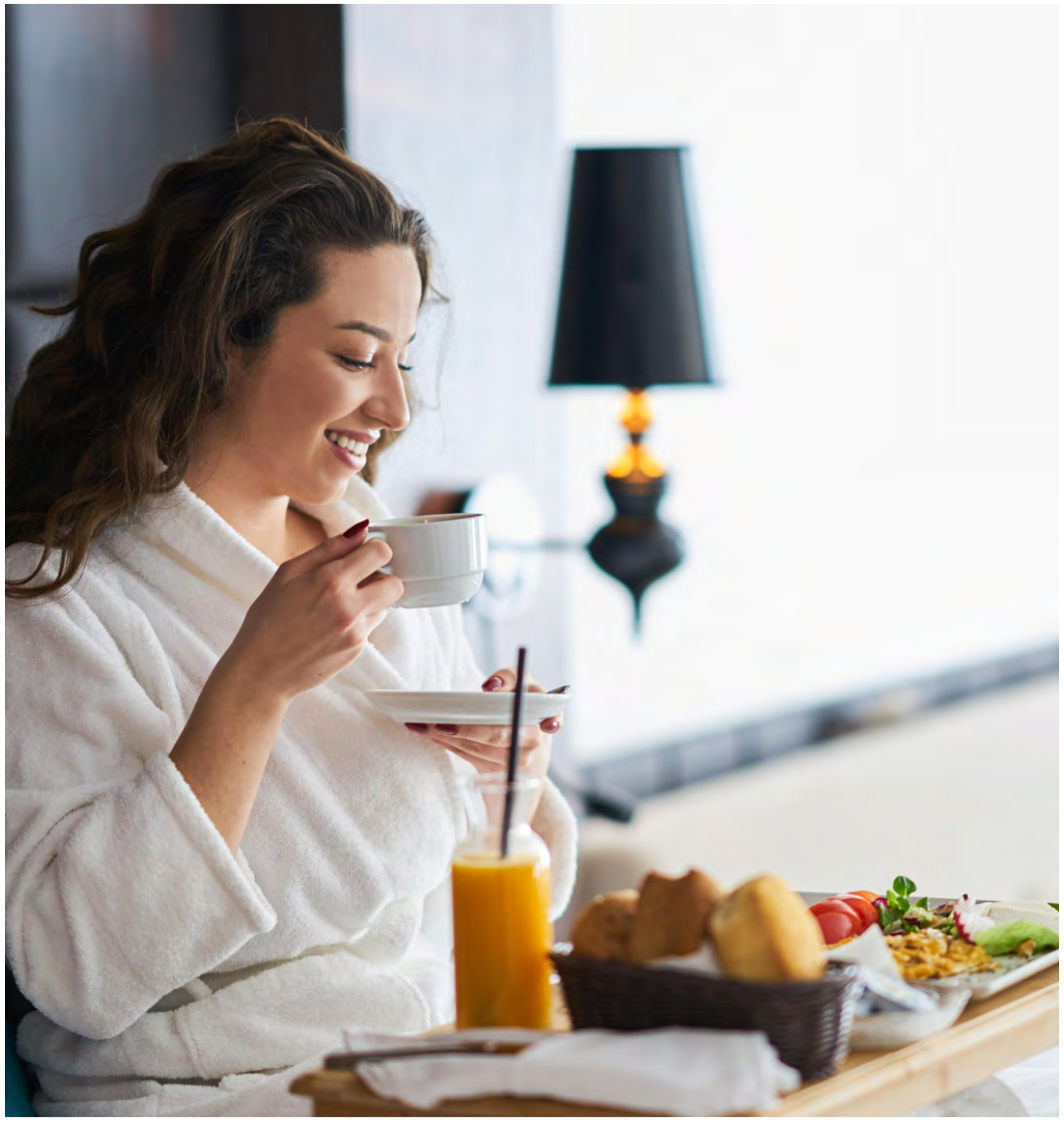
Since the relaxation of regulations on short-term rentals in Dubai, Holiday homes are also increasing in popularity. Emaar has also entered this market with its own digital platform called "Ease by Emaar", which will allow owners within its developments to list their properties for short-term rental. In this way, Emaar is revolutionising the future of hospitality by providing an unparalleled experience where visitors can stay like a local and while experiencing the city.

Thanks to the Expo 2020 and strong leisure demand, Dubai's occupancy rate reached 63% in 2021 – up significantly from 40% in the corresponding period last year. Abu Dhabi's occupancy rate rose to 66%, compared with 60% a year earlier. Despite the emergence of the new Omicron COVID-19 variant, the UAE's hospitality market is expected to continue its gradual recovery in 2022 as both business & leisure travel see further improvement as key source markets continue to relax travel restrictions.

16k keys
2022 planned deliveries in DUBAI

1.2k keys
2022 planned deliveries in ABU DHABI

Source: JLL's 'The UAE Real Estate Market Research, A Year in Review 2021'



Management Discussion & Analysis

Consumer confidence in the UAE reached its highest level in 10 years, with overall spending ahead of levels last seen before the pandemic with year-on-year footfall improved by ~18% between 2020 and 2021.

UAE Retail Market

2021 will be remembered as the year in which the UAE retail economy recovered sharply as consumer confidence and spending continue to build momentum. Consumer confidence in the UAE reached its highest level in 10 years, with overall spending ahead of levels last seen before the pandemic with year-on-year footfall improved by ~18% between 2020 and 2021. In Dubai, the UAE and the wider Gulf region, shopping malls are part of the social fabric, where people go not just to shop, but to socialise. Dubai's malls specifically are also major global tourist attractions, with major malls receiving more than 80 million visitors annually.

According to Knight Frank, the addition of around 205,000 sq. m. of retail Gross Leasable Area (GLA) in 2021 brought Dubai's total retail stock to 4.4 million sq. m. In Abu Dhabi, nearly 100,000 sq. m. of retail GLA was added in 2021 – pushing the total stock up to 2.9 million sq. m.

Knight Frank also highlights the fact that both cities retail occupier markets remain under some pressure. While, in the final quarter of last year, rents across primary & secondary malls saw average annual declines of 4% in Dubai and 5% in Abu Dhabi, retailers are registering a pick-up in footfall and turnover. This has been attributed to various factors, including the success of the UAE's vaccination programme which has led to easing restrictions, a resumption of global travel, as well as the start of the Expo event in October 2021.

Forecasts show that, in the UAE, the recovery in tourism and rising employment will support healthy consumer spending growth over 2022-23. This in turn should help provide a boost to retail sales, which are anticipated to broadly return to pre-pandemic levels by the end of next year. A recent report released by the Dubai Chamber of Commerce and Industry has projected the UAE's retail sales to reach $70.5 billion (Dh259 billion) by 2025 — an annual growth of 6.6 per cent.

The hybrid retail model is gaining popularity in the UAE and the region after the outbreak of the pandemic. As emerging trends, post-pandemic, continue to uncover a need for innovation that matches evolving consumer behaviours within the retail space, the hybrid retail model seems to have come out on top in terms of popularity with regional consumers. Recent reports also indicate a marginal increase in Dubai's leisure and entertainment sector between Q2 and Q3 of 2021, as consumer appetite for fun experiences went up, and as authorities in Dubai continued to ensure malls were safe for all.

Looking forward, tourism is picking up across the region and looks set to continue into 2022, as travel restrictions relax even further, and a major boost is expected from the UAE's highly successful vaccination programme.

520k
2022 planned deliveries in DUBAI (sq m GLA)

341k
2022 planned deliveries in ABU DHABI (sq m GLA)

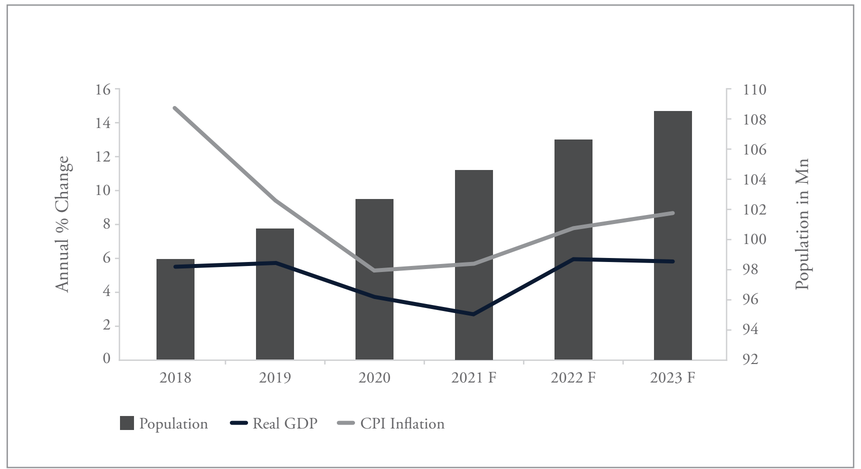
Source: JLL's 'The UAE Real Estate Market Research | A Year in Review 2021'

Management Discussion & Analysis

Egypt

The real estate sector of Egypt is buoyant and shows no signs of slowing down. The sector is an outlier for the region, given the fact that the country has more than 100 million population of very young demographics, with many still yet to enter their prime earning and purchasing years.

Population, GDP and Inflation Trend



Source: “The Property Report: Egypt” by Savills

The economy also boasts a stable macroeconomic environment, due to the bold fiscal, monetary and energy sector reforms. As per a report from “The Property Report: Egypt” by Savills, the government targeted a budget revenue of EGP1.3 trillion in the FY 2020/21, increasing from EGP1.1 trillion the previous fiscal year, which amounts to around 19.2% of the GDP. The total government expenditure for FY2019/20 was around EGP1.5 trillion which accounted for 27.1% of the GDP.

The key drivers that are influencing the real estate sector in the country:

1. Cultural preference to prefer realty assets for savings
2. Real estate is considered a safe hedge against inflation
3. Strong performance of the economy
4. Successful economic reform programme by the Government
5. Growth in the number of foreign corporates entering the country
6. Demand in the Retail segment is surging
7. Emergence of New Administrative Capital housing 6.5 million people

Despite the significant quantum of retail supply, opportunities remain for new and unique retail concepts geared towards offering experiential and leisure offerings.

In line with the growth in consumer spending, demand for retail centres focusing on F&B and FEC (Family Entertainment Concepts) is likely to remain strong. Despite the significant quantum of retail supply, opportunities remain for new and unique retail concepts geared towards offering experiential and leisure offerings. Going forward, we might witness a lot more supply geared towards enclosed mega malls and open shopping streets in the style of the major European boulevards.

The population and the labour force of Greater Cairo are the key demand drivers for office space in the city. Greater Cairo has a population of around 19 million which is expected to reach 20.5 million by 2025. On the other hand, the labour force of Greater Cairo is around 6.1 million and is expected to reach around 7 million by 2025. Along with a growing population, the political and economic stability of Egypt will continue to attract foreign capital and corporates into the region. Office supply in Greater Cairo is projected to grow to around 4.5 Mn sqm by 2025.

(Source: “The Property Report: Egypt” by Savills).

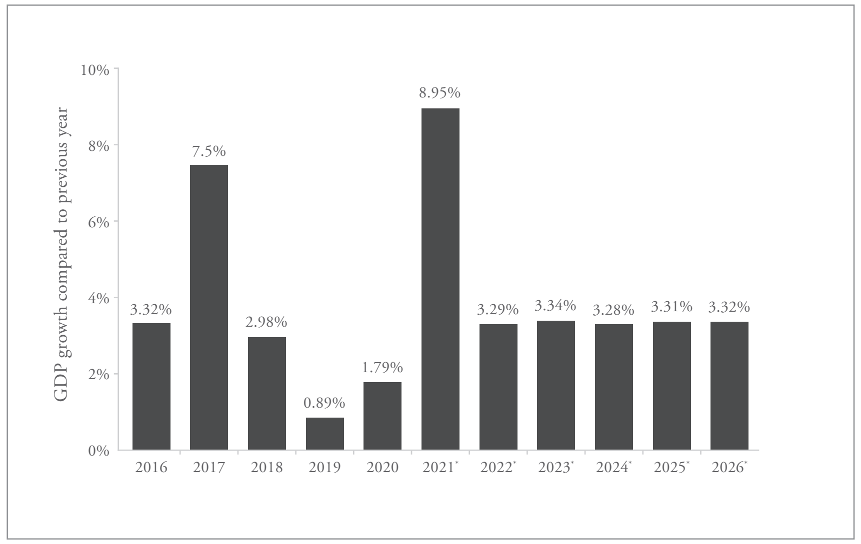
Management Discussion & Analysis

Residential sales in Turkey reached 1.49 million units, breaking another record in the last 10 years despite the pandemic, inflation pressure and fluctuations in the exchange rate.

Turkey

Based on economic standards, Turkey is recognised as an emerging market and is one of the world's newly industrialised countries, having earned a place in the Group of Twenty, which is a group consisting of the twenty most important economies in the world. Turkey's economic significance is partially attributed to the country's growth, especially during the recent global financial recession. While countries around the world struggled to grow, let alone maintain a balanced economy, Turkey experienced a rather high percentage of gross domestic product growth annually.

Population, GDP and Inflation Trend



Source: Statista

The hospitality industry in Turkey showed improvement in 2021 with the removal of travel restrictions and the increase in vaccinations. Tourism improved significantly compared to the previous year but lagged behind during the pre-pandemic period. Occupancy was recorded as 52% across Turkey in 2021, and at 55% in Istanbul. ADR (Average Daily Rate) averaged €82 and €91 in Turkey and Istanbul respectively.

According to Cushman & Wakefield, the overall supply in the office segment in Turkey remained at 6.46 million sq. m by the end of 2021. Pent up demand turned into transactions in the last quarter of 2021, while Take-up reached approx. 123,553 sq m in the fourth quarter taking the total to 304,507 sq m in 2021. Through the year, many companies proceeded with the remote working system in the first half of the year, quickly adapted to the hybrid working model in the second half and returned to the office to a large extent.

Looking at the retail segment, the new variants of the Covid-19 virus and the increase in the number of cases caused concern in the second half of 2021 but did not affect the physical retail as much as expected. In November 2021, when new Covid-19 variants emerged and the number of cases increased, there was a 6.25% decrease in the footfall index compared to the previous month. However, an increase of 38.9% was recorded when compared to the same month of the previous year. In the last quarter of 2021, a new supply of 282,000 sq m entered the market with 6 new shopping malls. Thus, the shopping center supply entry reached 324,644 sq m in 2021, increasing by 5% compared to the previous year. The total supply reached 13.8 million sq m with 439 shopping malls.

In terms of the residential segment in 2021, overall sales in Turkey reached 1.49 million units, breaking another record in the last 10 years despite the ongoing effect of the pandemic, inflation pressure and fluctuations in the exchange rate. Mortgaged residential sales showed significant decrease of 48.6% YoY to 294,530 units. Sales to foreigners, on the other hand, increased by 43.5% to 58,576 units, where Istanbul holds the first rank again parallel to the overall residential sales.

Management Discussion & Analysis

India

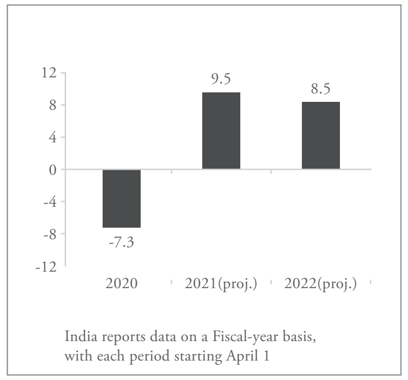
According to the International Monetary Fund, India's economy is poised for a rebound after enduring a second wave of COVID-19 infections in 2021 that had further constrained activity and took a heavy toll on its people. India's broad range of fiscal, monetary and health responses to the crisis supported its recovery and, along with economic reforms, are helping to mitigate a long-lasting adverse impact of the crisis.

>US$ 48 Bn

Amount Indian firms are expected to raise through infrastructure and real estate investment trusts in 2022, as per ICRA.

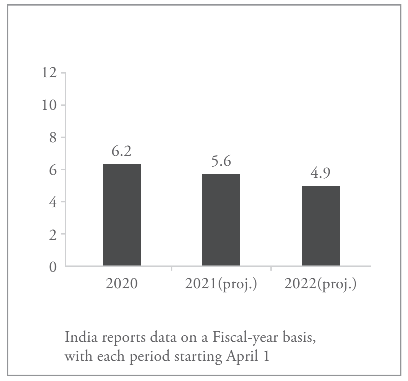
Real estate sector in India is expected to reach US$ 1 trillion in market size by 2030, up from US$ 200 billion in 2021 and contribute 13% to the country's GDP by 2025.

Real GDP Growth (percent)



Source: International Monetary Fund

Inflation (percent)



Source: International Monetary Fund

In India, the real estate sector is the second-highest employment generator, after the agriculture sector. According to IBEF reports, by 2040, real estate market will grow to US$ 9.30 billion from US$ 1.72 billion in 2019. Real estate sector in India is expected to reach US$ 1 trillion in market size by 2030, up from US$ 200 billion in 2021 and contribute 13% to the country's GDP by 2025. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

Indian real estate sector has witnessed high growth in the recent times with rise in demand for office as well as residential spaces. According to Colliers India, a property consultant, institutional investments in the Indian real estate sector are expected to increase, driven by rising interest of investors towards capturing attractive valuations amid the pandemic.

As per ICRA estimates, Indian firms are expected to raise >US$ 48 billion through infrastructure and real estate investment trusts in 2022, as compared with raised funds worth US$ 29 billion to date. According to JLL India, in the third quarter of 2021, India's net office absorption reached 5.85 million sq. ft., up 8% YoY in key cities. Three cities (Delhi-NCR, Mumbai and Pune) accounted for ~62% of the total volumes recorded in the quarter. In 2021-22, the commercial space is expected to record increasing investments.

According to the Economic Times Housing Finance Summit, about 3 houses are built per 1,000 people per year compared with the required construction rate of five houses per 1,000 population. The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

The Government of India, along with the governments of respective States, have taken several initiatives to encourage development in the sector. The Smart City Project, with a plan to build 100 smart cities, is a prime opportunity for real estate companies. The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform, which will allow all kind of investors to invest in the Indian real estate market. It would create an opportunity worth US$ 19.65 billion in the Indian market in the coming years. The residential sector is expected to grow significantly, with the central government aiming to build 20 million affordable houses in urban areas across the country by 2022, under the ambitious Pradhan Mantri Awas Yojana (PMAY) scheme of the Union Ministry of Housing and Urban Affairs. Expected growth in the number of housing units in urban areas will increase the demand for commercial and retail office space.

Management Discussion & Analysis

Company Overview

Company Introduction

Emaar Properties PJSC, listed on the Dubai Financial Market, is a global property developer and provider of premium lifestyles, with a significant presence in the Middle East, North Africa and Asia. One of the world's largest real estate companies, Emaar has a land bank of around 1.7 billion sq. ft. in the UAE and key international markets.

>45%

The percentage of Emaar's total revenue derived from its shopping malls & retail, hospitality & leisure, and international subsidiaries.

Emaar Properties is amongst the largest master planning developers in the region and takes great pride in transforming Dubai's landscape over the last 24 years.

As of 2021, Emaar Properties had handed over more than 81,600 residential units in Dubai and international markets since 2002, reflecting a solid belief by the market in Emaar's brand and robust project execution capabilities. By the end of 2021, over 24,500 units remain under development within the UAE, and 10,700 units are under development within various global markets.

Emaar has strong recurring revenue-generating assets with over 1,130,000 sq m of leasing revenue-generating assets and 32 hotels and resorts with c, 7,100 rooms (including owned as well as managed hotels). Contribution from Emaar's international operations is also consistently increasing year-on-year, showcasing successful global business diversification. Today, 45% of the Emaar's total revenue is from its shopping malls & retail, hospitality & leisure, and international subsidiaries.

Emaar Properties is amongst the largest master planning developers in the UAE and takes great pride in transforming Dubai's landscape over the last 24 years. The Company's portfolio consists of premier integrated lifestyle communities, centred around iconic assets, a unique offering that creates a halo around its brand, driving sustainable demand for its assets and long-term value for the Company's stakeholders. Burj Khalifa, a global icon, and The Dubai Mall, the world's most-visited retail and lifestyle destination, are among Emaar's trophy destinations. The Company's strong balance sheet is supported by a sustainable credit profile with a comfortable Net Debt to Equity ratio and Debt Coverage ratio.

Over the years, Emaar Properties has positioned itself as the preferred development partner in multiple markets. The Company is recognised for its superior quality and consistent delivery. Its credibility has enabled partnerships with GREs, giving the Company access to desirable land banks across the UAE using a land acquisition model that requires minimum upfront cash payments.

Emaar Properties portfolio is also strategically diversified through asset classes and geographies. The Company has delivered consistent growth in difficult market environments. This success can be attributed to Emaar's beneficial business mix, where the Company's development expertise provides a significant upside potential, supported by steadily growing recurring revenue generating businesses.

Management Discussion & Analysis

Financial Overview for 2021

An overview of the Consolidated Results for 2021

Financial Summary

AED Million	2021	2020	% Change
Revenue	**28,270**	17,959	57% YoY
Gross Profit	**11,751**	6,533	80% YoY
Gross Profit Margin %	**41.6%**	36.4%	Up by 5.2%
EBITDA	**9,343**	5,296	76% YoY
EBITDA Margin (%)	**33.0%**	29.5%	Up by 3.5%
Total Profit After Tax (PAT)	**5,717**	2,806	103.7% YoY
PAT Margin (%)	**20.2%**	15.6%	Up by 4.6%
PAT attributable to Owners	**3,800**	2,109	80% YoY
Profit Margin (%)	**13.4%**	11.7%	Up by 1.7%

Important Consolidated KPIs for 2021

AED **~33.8** Bn
Overall Property Sales (including sales related to non-consolidated JVs & JDA)

AED **~28.3** Bn
Revenues

AED **~9.3** Bn
EBITDA

AED **~6.2** Bn
International Property Sales (36% increase Vs. 2020)

AED **~5.7** Bn
Total Net Profit

~101 Bn
Footfall at Emaar Malls (Up 33% from 76m in 2020)

27 %
Recurring Revenues

50%
Recurring EBITDA

~1%
Default Rate of Sales Value

Emaar Properties PJSC posted the highest ever Revenue registered by the Company since its incorporation in 1997, recording a solid AED 28.270 billion (US$ 7.697 billion) for 2021.

EBITDA: The YoY increase of 76% in the Company's EBIDTA was the result of a record increase in Revenue in addition to and managements judicious control of expenses. This increase in EBITDA is further supported by higher share of profit from associate entities.

Consolidated Financial Analysis for 2021

Revenue: Up by 57% YoY, Emaar Properties PJSC posted the highest ever Revenue registered by the Company since its incorporation in 1997, recording a solid AED 28.270 billion (US$ 7.697 billion) for 2021. This record feat was achieved by clocking AED 27.517 billion (US$ 7.492 billion) in domestic property sales in 2021, a sharp growth of 335% over 2020; and by registering overall highest property sales of AED 33.762 billion (US$ 9.192 billion) (inclusive of sales related to non-consolidated JVs & JDA), more than 3 times property sales during the same period of 2020. This unprecedented performance was attributable to several initiatives taken by the UAE Government since the onset of the pandemic, strong real estate market fundamentals, considerable progress in construction during the year, and continued confidence in Emaar's brand by both end users and property investors alike. This was complemented by a strong performance by Emaar's international property development business, and by the rebound in the Company's recurring revenues from its shopping malls and hospitality businesses.

Gross Profit: The YoY increase of 80% in the Group's Gross Profit was the result of a record increase in Revenues; on the back of higher sales of land plots; and higher revenues generated by the Company's Malls business. This change in revenue mix has also resulted in marked improvement in Gross Margins to ~ 42% as compared to ~ 36% in 2020.

Management Discussion & Analysis

Net Profit: Emaar reported a Net Profit attributable to Owners of AED 3.800 billion (US$ 1.035 billion) for 2021, compared to AED 2.109 billion (US$ 574 million) in 2020, registering a YoY growth of 80%.

Divisional Financial Analysis for 2021

Emaar Development's Financial Performance

Property Sales and Revenue: During 2021, Emaar achieved its highest ever property sales through Emaar Development PJSC (DFM: EMAARDEV), its UAE build-to-sell property development business, in Dubai, recording an increase of 335% to AED 27.440 billion (US$ 7.471 billion) (inclusive of sales related to non-consolidated JVs & JDA) compared to 2020 propelled by strong rebound in the real estate market in Dubai. Emaar Development has achieved revenue of AED 15.602 billion (USD 4.248 billion) which grew by 60% compared to 2020.

Gross Profit: The increase in Emaar Development's gross profit was led by an increase in revenue, as well as increase in margins. This was driven by strong property sales in premium segment such as land plots, single family homes and high-end apartments, having better margins, and resulting in higher gross profit, which rose by 65% to AED 5.735 billion (US$ 1.561 billion) for 2021, as compared to AED 3.478 billion (US$ 947 million) in 2020.

EBITDA: Emaar Development's EBITDA increased substantially due to revenue growth and significant control over the expenses, which was achieved through stringent cost control measures. The EBITDA for Emaar Developments rose by 89% to reach AED 4.389 billion (US$ 1.195 billion) in 2021, compared to AED 2.318 billion (US$ 631 million) in 2020.

Net Profit attributable to Owners: Net profit increased by 96% in 2021 to AED 3.244 billion (US$ 883 million), as compared to net a Net Profit of AED 1.657 billion (US$ 451 million) in 2020.

335%
YoY increase in property sales through Emaar Development (including sales related to non-consolidated JVs & JDA)

65%
YoY growth in Gross Profit for Emaar Development

89%
YoY increase in EBITDA for Emaar Development

96%
YoY growth in Net Profit for Emaar Development

The revenue of the Malls business increased by 44% YoY from AED 3.409 billion (US$ 928 million) in 2020 to AED 4.900 billion (US$ 1.334 billion) in 2021.

International Operations' Financial Performance

Revenue: The Company's revenue from property development in its International businesses increased for 2021, led by Emaar Misr for Development SAE (EGX: EMFD), Egypt. This was complemented by the Company's international property development business in various other countries. The revenue from international operations grew by 66% to AED 5.096 billion (US$ 1.387 billion), compared to the previous financial year.

Gross Profit: The increase in the International Operations' gross profit was led by the increase in revenue, as well as an increase in margins from a change in revenue mix. The gross profit for 2021 stood at AED 1.084 billion (US$ 295 million).

EBITDA: EBITDA contribution of the International operations increased substantially due to the surge in revenues and exercising significant control over expenses. EBITDA for 2021 is AED 283 million (US$ 77 million), against a loss of AED 707 million (US$ 192 million) in 2020.

36%
Property Sales Growth in 2021 for International Operations Vs 2020

66%
Revenue growth compared to previous financial year

Emaar Malls Business

Revenue: The revenue of the Malls business increased by 42% YoY from AED 3.507 billion (US$ 955 million) in 2020 to AED 4.988 billion (US$ 1.358 billion) in 2021, thanks to an overall rebound in the retail sales of tenants across Malls assets and incremental sales contribution from Namshi, an e-commerce subsidiary of Malls.

Gross Profit: : The increase in the Malls gross profit from AED 2.375 billion (US$ 647 million) in 2020 to AED 3.594 billion (US$ 978 million) in 2021 was led by the increase in revenue.

EBITDA: Malls' EBITDA increased substantially due to higher gross profit complemented by control over cost and expenses. EBITDA for 2021 grew by 87 % to reach AED 2.559 billion (US$ 697 million), against AED 1.370 billion (US$ 373 million) in 2020.

Net Profit: Net Profit increased by 160% in 2021 to AED 1.832 billion (US$ 499 million), as compared to net a Net Profit of AED 704 million (US$ 192 million) in 2020.

75.8%
High Operating EBITDA Margin excluding Namshi

AED 3,447 Mn
Annual Gross Rental Income in 2021 excluding Namshi

21% CAGR*
Omni-channel growth through Namshi Revenues

21% CAGR*
NMV growth at Namshi

*CAGR calculated over 2017 to 2021

Management Discussion & Analysis

Emaar Hospitality*

Revenue: Revenue of the Hospitality business increased by 74 % YoY from AED 819 million (USD 223 million) in 2020 to AED 1.427 billion (US$ 389 million) in 2021, thanks to an overall rebound in the travel and hospitality industry of Dubai supported by strong domestic staycation trend. Our hotels recorded average occupancy of 66% in UAE with significant growth in Average Daily Rate (ADR) compared to 2020.

Gross Profit: The increase in the Company's gross profit was led by the increase in revenue, as well as increase in margins from significant savings achieved in operating expenses through various initiatives, resulting in gross profit growing by 138% from AED 287 million (US$ 78 million) in 2020 to AED 684 million (US$ 186 million) in 2021.

EBITDA: The Company's EBITDA grew by 162% to reach AED 544 million (US$ 148 million) against AED 208 million (US$ 57 million) in 2020 as a result of the increase in gross profit flow and control over overhead expenses.

Net Profit: Net profit from Hospitality business increased significantly by 211% reaching to AED 235 million (US$ 64 million), as compared to net a loss of AED 212 million (USD 58 million) in 2020.

* Including Rove city walk.

74%
YoY revenue growth of Hospitality business

162%
YoY EBITDA growth of Hospitality business

66%
Better than average market occupancy

211%
Net Profit Growth YOY

44%
YoY revenue growth of Entertainment & Leasing business

73%
YoY gross profit growth of Entertainment & Leasing business

Entertainment, Commercial Leasing & Others

Revenue: Revenue from the Entertainment, Commercial Leasing & Other business increased by 44% YoY from AED 801 million (US$ 218 million) in 2020 to AED 1,157 million (US$ 315 billion) in 2021, thanks to an overall rebound in the footfall to our Entertainment venues and the pent up demand for commercial leasing space.

Gross Profit: Led by an increase in revenue, gross profit grew by 73% from AED 379 million (US$ 103 million) in 2020, to AED 654 million (US$ 178 million) in 2021.

EBITDA: EBITDA for 2021 is AED 1.568 billion (US$ 427 million), against AED 2.107 billion (US$ 574 million) in 2020. FY2020 included gain on sale of Downtown District Cooling business of AED 2.197 billion (US$ 598 million).

Oversubscribed by investors, the successful sale of US$500 million Islamic Sukuks, reflected their continued confidence in Emaar Properties.

Securities Issued in 2021

Sale of Islamic Sukuks: In July 2021, Emaar completed the issuance of a US$ 500 million (AED 1.837 billion) Islamic Sukuks priced at an attractive yield of 3.7%. Oversubscribed by investors, the successful sale of these bonds reflected investors' continued confidence in Emaar Properties.

Emaar Malls Delisting & Merger with Emaar Properties: In November 2021 Emaar completed the merger of Emaar Malls PJSC with Emaar through issuance and allotment of 0.51 new shares of Emaar for every one share held by shareholders having non-controlling interests ("NCI") in Emaar Malls. On 22 November 2021, after the required approvals obtained from the authorities, Emaar issued 1,020,000,000 new shares to the NCI shareholders of Emaar Malls. Subsequently, Emaar Malls was delisted from the Dubai Financial Market and the assets, rights, liabilities and business of Emaar Malls have been transferred to Emaar Malls Management LLC, a wholly owned subsidiary of Emaar Properties.

Management Discussion & Analysis

Operational performance overview of Emaar Properties for 2021

~10,000 units
Units delivered in 2021 (Inclusive of numbers related to non-consolidated JVs & JDA)

~35,000 units
Under construction to be delivered in next 4 years (Inclusive of numbers related to non-consolidated JVs & JDA)

~92%
The Dubai Mall Occupancy

~7,100 keys
Hotel Keys

AED ~46.1 Bn
Revenue backlog to be recognised over next 3-4 years (Inclusive of numbers related to non-consolidated JVs & Joint Development Agreements (JDAs)

AED ~1.54 Bn
Namshi e-commerce sales

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

~66%
Hotels average occupancy levels (Including managed hotels)

Emaar currently has a land bank of c. 331 million sq. ft. in the UAE, and approximately 95% of the Emaar's projects under construction in the UAE have successfully been absorbed by the market.

Operational performance by Business for 2021

Emaar Development

Emaar's UAE based build-to-sale business is led by Emaar Development PJSC, a majority owned subsidiary of Emaar which has been listed on DFM since November 2017. As the leading master plan developer in Dubai, this division has delivered over 52,000 residential units since 2002 (inclusive of numbers related to non-consolidated JVs & JDA). Emaar currently has a land bank of c. 331 million sq. ft. in the UAE, and approximately 95% of the Emaar's projects under construction in the UAE have successfully been absorbed by the market. The Company has also been successful in building its credibility through establishing long lasting partnerships with GREs (Government Related Entities)

AED ~27.4 Bn
Highest ever property sales in 2021 (Inclusive of numbers related to non-consolidated JVs & JDA)

~24,500
Residential units under construction (Inclusive of numbers related to non-consolidated JVs & JDA)

AED ~28.6 Bn
Revenue Backlog to be recognised over next 3-4 years (Inclusive of numbers related to non-consolidated JVs & JDA)

~4,700
Units delivered in 2021 (Inclusive of numbers related to non-consolidated JVs & JDA)

~331 Mn sq. ft. GLA (Gross Land Area)
Land Bank (Inclusive of numbers related to non-consolidated JVs & JDA)

Strategic future plans and objectives for the Emaar Development business:

1. Leverage on the existing master community developments to launch new projects
2. Provide 'City within a city' experience to discerning customers
3. Product Innovations
4. Marketing to International Customers
5. Well-planned Execution & Delivery
6. Access to premium land through JV/JDA with GREs
7. Expansion and penetration of Emaar Brand in existing and new markets over longer term
8. Return on Capital Accretive - lower capital (minimum immediate cash outlay for land purchase)
9. Earn development profit share and project management fees
10. Conserved cash to be used for judicious purchase of prime land

Management Discussion & Analysis

Emaar's international businesses achieved revenues of AED 5.096 billion (US$ 1.387 billion), which grew by 66%, compared to 2020, representing 18% of Emaar's total revenue.

AED ~6.2 Bn
International property sales in 2021 grew by 36% YoY

AED ~17.4 Bn
Revenue backlog of international property development business at the end of 31 Dec 2021

#1 Egypt
Emaar MISR positioned itself as Local Market Leader delivering superior growth

Emaar International

Emaar's international businesses are active in 10 targeted high-growth countries delivered c. 30,000 residential units since inception. The Company owns around 1.3 billion sq. ft. in land banks within key international countries.

During 2021, the Company achieved an overall sales level of 91% of units released in its international operations. Led by its Egypt operations, Emaar's international operations continued to improve its operational results and recorded property sales of AED 6.244 billion (US$ 1.700 billion) in 2021, compared to AED 4.581 billion (US$ 1.247 billion) in 2020, a growth of over 36%. This highlights the positive recovery of the property market as well as the significant interest in Emaar's international operations, establishing Emaar as a trusted master developer in global markets.

Emaar's international businesses achieved revenues of AED 5.096 billion (US$ 1.387 billion), which grew by 66%, compared to 2020, representing 18% of Emaar's total revenue. The performance of international operations is led by Egypt, India and Pakistan.

Strategic future plans and objectives for the Emaar Development business:

1. Accelerate investments in existing international markets with strong fundamentals
2. Partner with landowners in existing markets through Joint Ventures/Joint Development Agreements for optimal ROIs
3. Selectively expand to new markets/cities based on potential and strategic fit
4. Execute and deliver to our customers on a timely basis
5. Maintain focus on cash preservation and cost management
6. Meet changing customer needs through product innovation and competitive differentiation
7. Maintain high standards of quality and customer satisfaction
8. Leverage on Emaar's retail, hospitality and community management capabilities to augment international markets operations

The Company's combined portfolio of Malls comprises of over 7.5 million sq. ft of GLA in retail properties across Dubai, which increased by c. 11% from 6.7m sq. ft. in 2020.

Emaar Malls

In additon to a number of thriving community retail centres, Emaar's Malls owns and operates one of the world's most successful malls - "The Dubai Mall". Located in the heart of the prestigious Downtown Dubai, The Dubai Mall is one of the world's largest and most-visited retail and entertainment destination. With over 1,200 stores, The Dubai Mall offers an unparalleled retail mix combined with world-class dining, entertainment, and leisure attractions. The mall's high end precinct Fashion Avenue positions The Dubai Mall as the hub of luxury for the region.

Pairing the towering ambitions of Dubai with a unique and vibrant waterfront lifestyle, the Company also operates a second major mall called the "Dubai Marina Mall", a modern, thoughtfully designed haven for the shopping, leisure and lifestyle pursuits of the community's residents and visitors, as well as for tourists seeking the very best that the city has to offer.

The Company also recently opened the Middle East's first Time Out Market in Souk Al Bahar the newest culinary hotspot of Dubai. The Time Out Market is home to 17 renowned local chefs and restaurateurs hand-picked by Time Out Dubai editors to be the best in the city. The Time Out Market boasts sprawling indoor space with an al fresco on the 3,000-square-foot terrace with breathtaking views of Burj Khalifa and the Dubai Fountain.

The Company's combined portfolio of Malls comprises of over 7.5 million sq. ft of GLA in retail properties across Dubai, which increased by c. 11% from 6.7m sq. ft. in 2020.

Emerging from a turbulent 2020 with a much stronger position in 2021, Emaar Malls recorded solid revenues of AED 4.988 billion (US$ 1.358 billion) in 2021, with a net profit of AED 1.832 billion (US$ 499 million), representing growth of 42% and 160% respectively, compared to 2020. Emaar Malls' assets maintained a healthy occupancy level of 91% with flagship The Dubai Mall leading with occupancy of 92%.

In the first quarter of 2022, shoppers can look forward to the opening of the highly anticipated Dubai Hills Mall with approximately 2 million sq. ft of GLA, located within the pristine enclave of Dubai Hills Estate. At The Dubai Mall, the Chinatown development is well under way and is due to be launched in late 2022.

7.5 Mn sq. ft.
Malls and retail centres

101 Mn
Footfall increase by 33% YoY in 2021

Best Service Performance Mall 2021
Award won by Dubai Mall from Department of Economic Development Dubai in 2021

The Middle East Cleaning, Hygiene and Facilities Awards
Award won by Dubai Mall in 2021

Management Discussion & Analysis

Namshi, Emaar Malls' e-commerce fashion and lifestyle platform, recorded sales of AED 1.541 billion (US$ 420 million) during 2021. Namshi's performance is credited to its persistent growth in Saudi Arabia, Kuwait and other GCC countries, along with its launch in Qatar in early 2021.

+18% YoY Growth of Namshi's Active Customers

+34% Namshi's Gross Margin

+30% YoY Growth of Namshi's Order Intake Volume

+16% YoY Growth of Namshi's Net Revenue

+37% YoY Growth of Namshi's Online Traffic

+9% YoY Growth of Namshi's IG Followers

Strategic future plans and objectives for the Emaar Malls business:

1. Active Tenant & Space Management with Healthy Lease Renewals
2. Meet changing retail trends and evolving consumer needs
3. Offer innovative & fresh retail concepts
4. Tenant re-zoning & re-sizing to maximise sales productivity
5. Offer short lease terms (3-5 years) and curate significant waitlist to allow flexibility in tenant management
6. Offer favourable lease terms

The hospitality, leisure, entertainment, and commercial leasing businesses of Emaar recorded revenue of AED 2.584 billion (US$ 704 million) in 2021, marking an increase of 60% over the 2020.

Emaar Hospitality, Leisure & Entertainment

Emaar's Hospitality division operates over 32 hotels with c. 7,100 keys. These include brands such as 'The Address', 'Armani', 'Vida' and 'Manzil', as well as brands in the upscale-affordable segment such as 'Rove'. 2021 also marked a historic milestone of having more than 60 hotel projects in its portfolio, including those in operation and under development.

With a portfolio of over 2.48 million sq. ft. of GLA in commercial properties across Dubai, the Leisure & Entertainment division excels at being a provider of premium entertainment experiences and a manager of popular leisure assets. Some examples include the 'Dubai Aquarium', 'Underwater Zoo', 'Reel Cinemas', 'KidZania', 'VR Park', 'Dubai Ice Rink' and 'At The Top'. This division also owns and operates Dubai's iconic cultural destination 'Dubai Opera'.

The hospitality, leisure, entertainment, and commercial leasing businesses of Emaar recorded revenue of AED 2.584 billion (US$ 704 million) in 2021, marking an increase of 60% over the 2020. Hotels under Emaar Hospitality Group, including the Company's managed hotels, boasted average occupancy levels of 66% during the 2021, indeed a testament to the resilience of Dubai's tourism industry despite the ongoing COVID pandemic. The Company also witnessed higher than market average ADR and Occupancy for 2021.

Emaar Entertainment celebrated the launch of two spectacular entertainment destinations in Q42021- Zabeel Sports District, located on the rooftop of The Dubai Mall Zabeel; and Sky Views Observatory, the city's newest observatory located atop Address Sky View in Downtown Dubai.

Emaar's recurring revenue-generating businesses of malls, hospitality, leisure, entertainment, and commercial leasing together achieved revenues of AED 7.572 billion (US$ 2.062 billion) representing 27% of the Emaar's total revenue.

66% **Hotel Occupancy**
Robust occupancy in 2021 despite challenging market conditions

AED 497
RevPar in 2021 vs AED 259 in 2020

Market Leading Hygiene & Safety Standards
Endorsed by Dubai Tourism

Rated 2021 Travelers' Choice
Award won by Al Alamein Hotel

Strategic future plans and objectives for the Emaar Hospitality, Leisure & Entertainment business:

1. To outperform pre-pandemic 2019 numbers by continuing to work on pricing and products restructuring
2. To launch the Reel Cinemas business in KSA
3. Establish an expansion strategy for KSA to align with our growth objectives
4. Continue to evolve our business model to become more efficient
5. Direct access to source markets to drive tourists footfall
6. Enriching cinema experience by maintaining highest customer service standards

Management Discussion & Analysis

Summary of the financial position as at the end of 2021

AED Million	2021	2020	% Change
EPS (AED/Share)	**0.52**	0.29	79%
Total Equity Incl Minority Interest	**68,195**	64,582	5.6%
Cash	**8,658**	6,271	38%
Debt	**18,580**	21,361	(13%)
Net Debt	**9,922**	15,090	(34%)

Emaar Properties has worked consistently over recent years to achieve a robust financial footing, positioning it well to meet the challenges of 2021 and 2022 and to pursue market opportunities. The Company has benefitted from the steps it has taken over several years to strengthen its financial position.

The scale of Emaar Properties' business, combined with the quality of its assets, rental income, and a healthy debt to equity ratio, means that the Company is able to approach a diverse range of debt providers to arrange finance at attractive terms. Easy access to the equity and debt markets allows the Company to take advantage of opportunities when they arise. It monitors its debt requirement by reviewing current and projected borrowing levels, available facilities, debt maturities and interest rate exposure. The Company undertakes sensitivity analysis to assess the impact of proposed transactions, movements in interest rates and changes in property values on key balance sheet, liquidity and profitability ratios.

In addition to Emaar Properties' drawn debt, the Company always aims to have a good level of undrawn, committed, unsecured revolving bank facilities to maintain adequate liquidity. These facilities provide financial liquidity, reduce the need to hold resources in cash and deposits, and minimise costs arising from the difference between borrowing and deposit rates, while reducing credit exposure. The Company arranges these revolving credit facilities in excess of its committed and expected requirements to ensure that it has adequate financing availability to support business requirements and new opportunities.

Consolidated cash flows movements during for 2021

(AED bn)	2021	2020
Net cash flows from operating activities	**10,759**	2,137
Net cash flows (used in)/ from investing activities	**(2,786)**	997
Net cash flows used in financing activities	**(6,151)**	(2,533)
Cash and Cash equivalents at the beginning of the year	**5,764**	5,158
Cash and cash equivalents at the end of the year	**7,583**	5,764

Business Outlook

Emaar has a substantial development pipeline and land bank, which leaves Emaar well-positioned to execute on its clearly defined strategy and to successfully deliver attractive, sustainable returns for all stakeholders.

Emaar predominantly operates in the markets of UAE, Egypt, Turkey, India and Pakistan. Each of these markets have their own market dynamics with strong drivers for future real estate demand and have coped reasonably well with the pandemic to witness resurgent growth. While regional global conflicts and oil prices volatility are cause for concern on their impact on global growth, Emaar's management is optimistic about the medium and long-term business prospects of the Company.

As one of the most dynamic and growing markets in the world, Dubai's property market is a testament to the strength and resilience of the UAE as a nation and Emaar is proud to lead the way forward. Emaar's portfolio of prime, highly sustainable assets is set to continue to benefit from the fundamental shifts occurring within the real estate market as well as the Company's approach to portfolio optimisation. Dubai's long held mantra of 'build and they will come' is gradually evolving into a 'build it and they will come and stay' philosophy. This change is now accelerating to place the emirate in far stronger position than many other global gateway cities, which are still grappling with the impacts of the pandemic. Similarly, the markets of Egypt, Turkey, India and Pakistan, in which Emaar has on-going and new projects, are each demonstrating varying recovery trends and resilience against global headwinds within their respective realty sectors.

Today, Emaar has a substantial development pipeline and land bank in each of these markets, which, when combined with its high-quality loyal customer base and expanding talented and dedicated team, leaves Emaar well-positioned to execute on its clearly defined strategy and to successfully deliver attractive, sustainable returns for all stakeholders. With strong Strategic Pillars (pages 36-51) to drive business growth ahead, the Company is well placed in terms of its various capital resources and value creation business model (pages 18-21). With a solid revenue backlog from property sales of AED 46.057 billion (US$ 12.539 billion), which will be recognised as future revenue for Emaar in the coming years, and resurging recurring revenue operations, the Company has strong revenue visibility reflecting the strength of the Company's financial position to sustain strong revenue, profitability, and shareholders' return for the foreseeable future.

For and behalf the Board of Directors of

Emaar Properties PJSC:

Mr. Jamal Bin Theniyah
Chairman

Risk Management in Emaar

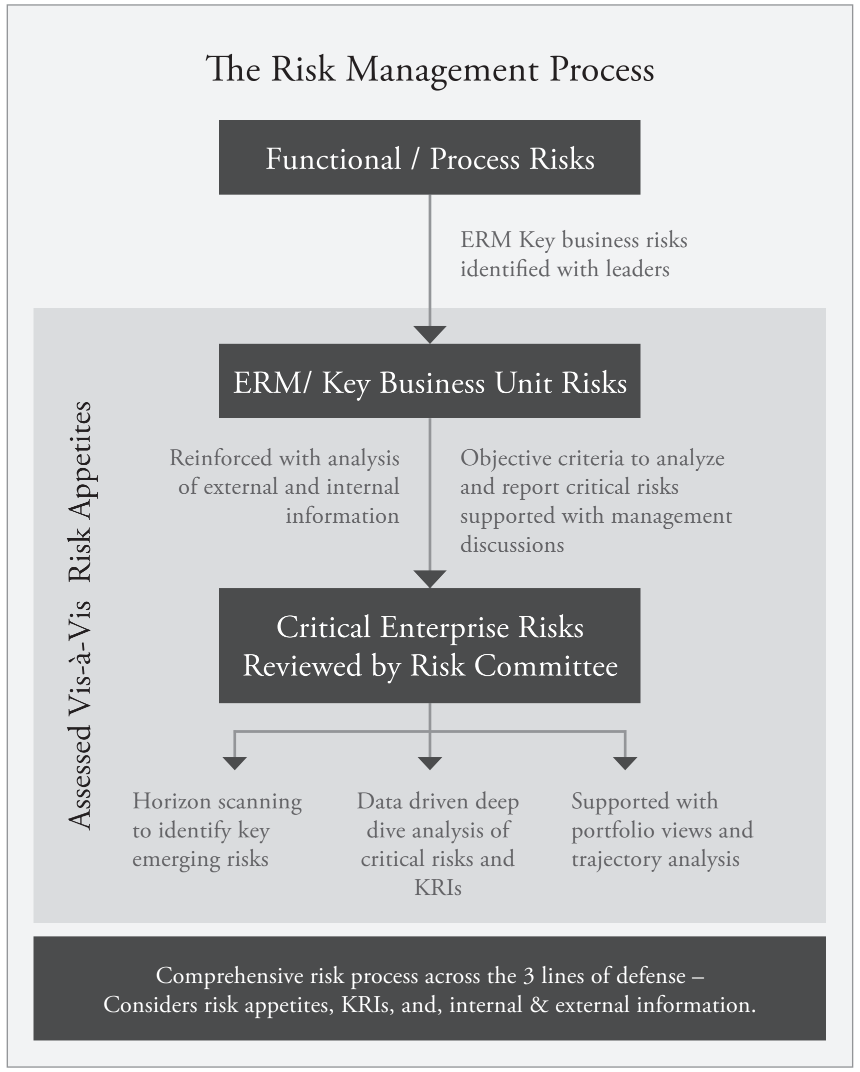
With the fast paced, continuously evolving business environment, we understand the importance of systematically assessing our risk exposure to help build resilience and take agile, yet informed, business decisions. We also understand that holistic risk management underpins the Company's ability to not only successfully deliver on strategic objectives but to also safeguard the values and interest of stakeholders.

In this regard, we have adopted a comprehensive enterprise-wide risk management (ERM) framework that integrates both external best practices, business objectives and other internal elements unique to the organization. This embedded risk management approach is designed to be a collaborative process that utilizes the 3 lines of defense methodology. Our risk management process is monitored by an established board nominated Risk Committee and is supported by a dedicated ERM team.

Holistic Risk Management Process:

Our risk management principals are reinforced by risk appetite statements that establish the maximum amount of risks that should be undertaken in pursuit of our objectives. These risk appetite statements are aligned with our strategic objectives & business context and are operationalized through our continuous risk monitoring mechanisms.

Along with established Risk Appetite statements, our integrated approach to risk management uses measuring, monitoring and mitigation strategies as an interrelated system and leverages data insights, where appropriate. We have adopted a holistic approach to identify and assess both process/ operational risks and enterprise wide risks. Each risk is assessed and prioritized based on an impact and likelihood matrix vis-à-vis our established risk appetites and key risk indicators (KRIs) performance. The risks along with their mitigation plans are identified and continuously monitored across all levels of the organization. This approach helps us to determine an interrelated and holistic risk profile and allows for organization-wide visibility.



In line with our continuous pursuit of business improvement and efficiency, we are actively transforming our risk processes and maturity. This includes considering and implementing practices to bolster our internal control environment and embed the principles of robust risk management into day-to-day operations. Our ERM team continues to support the systematic implementation of our ERM framework and regularly engages with the first line of defense to ensure that risks are proactively managed.

Key Risks and Mitigation

	Description	Mitigation	Read more
Market Cyclicality	Unable to identify and respond to changing market dynamics	Emaar reviews its business unit and geographical location strategies, and accordingly monitors business performance across its portfolio on a regular basis. Where required it takes agile risk informed decisions to realign its business trajectory vis-à-vis changing market and economic trends. Further, the risk management process includes research and data driven horizon scanning exercises to identify and mitigate any material adverse events.	Management Discussion Analysis (page 68); Our Business Model (page 18); How we create value (page 22)
Access to liquidity	Unable to maintain adequate levels of liquidity to support Group operations and strategic ambitions	Emaar utilizes liquidity monitoring and management controls to ensure that the Group has continuous access to capital. This includes maintaining an investment grade rating, earmarking cash against project development costs, and ensuring active lines of credit with reputable financial institutes. Further monitoring processes are embedded to ensure that changes in the group's liquidity profile are timely identified and mitigated.	Focus area 2: Financial Capital (page 56)
Operational Risk and Hazards	Failure to provide an environment that promotes health, safety and wellbeing impacts our ability to achieve our corporate and social responsibilities	Emaar is committed to the health, safety and wellbeing of our people. Through various initiatives that target both physical safety and health & wellbeing, we empower our people to operate in a consistent standard across all our operations.	Focus area 1: Health & Safety (page 54); Focus area 4: Our people (page 60)
Technology	Failure of cyber resilience and defense systems. Leakage, misappropriation or unauthorized storage of data.	Physical and data security continue to be key focus areas globally. We invest in preventative technology and education of employees to achieve a sustainable security culture.	Responding to Customer Privacy (page 31)
Talent & People management	Inability to attract, retain and upskill key talent necessary to deliver strategic objectives; or lack of scalable processes to support predictable growth.	To deliver the desired level of performance, we continue to invest in growing our core capabilities through active talent recruitment, people management and targeted professional development. Our talent strategies emphasize our focus on attracting, retaining and growing the best people. Our processes are designed to be consistent, scalable and effective.	Focus area 4: Our people (page 60)
Regulatory Compliance	Failure to actively comply with internal and external regulations	Emaar has embedded compliance controls throughout their operational and strategic processes. It has further developed a multi-tiered governance structure, with established board nominated committees and policy documentation. Ongoing compliance is monitored by the Audit Committee, Compliance Officer, Internal Audit, and Legal teams.	Corporate Governance Report (page 104)

Section 5

Board of Directors

Mr. Jamal Bin Theniyah
Chairman

Non-Executive, Non-Independent
Serving on the Board for 10 years
Profile on page 110

Investment Committee	M

Mr. Ahmed Jawa
Vice-Chairman

Non-Executive, Non-Independent
Serving on the Board for 16 years
Profile on page 111

Risk Committee	C
Audit Committee	M
Nomination & Renumeration Committee	M

Mr. Jassim Al Ali
Board Member

Non-Executive, Independent
Serving on the Board for 4 years
Profile on page 112

Risk Committee	M
Audit Committee	M

H.E. Eng. Sultan Al Mansoori
Board Member

Non-Executive, Independent
Serving on the Board for 9 months
Profile on page 112

Audit Committee	C
Investment Committee	M

Mr. Helal Al Marri
Board Member

Non-Executive, Independent
Serving on the Board for 9 months
Profile on page 113

Risk Committee	M
Nomination & Renumeration Committee	M

Mr. Mohamed Ali Alabbar
Managing Director

Executive, Non-Independent
Serving on the Board for 24 years
Profile on page 111

Investment Committee	C

Mr. Ahmad Al Matrooshi
Executive Board Member

Executive, Non-Independent
Serving on the Board for 16 years
Profile on page 112

Committee for monitoring Insider Trading	C

Mr. Buti Al Mulla
Board Member

Non-Executive, Independent
Serving on the Board for 9 months
Profile on page 113

Investment Committee	M

Ms. Eman Abdulrazzaq
Board Member

Non-Executive, Independent
Serving on the Board for 9 months
Profile on page 114

Nomination & Renumeration Committee	C

Member	M
Chairperson	C

Committees

- Risk Committee
- Audit Committee
- Nomination & Renumeration Committee
- Investment Committee
- Committee for monitoring Insider Trading

Corporate Governance Report for 2021

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

1. A clarification of the procedures adopted by the Company to satisfy the requirements of the Governance Guide in 2021, and how they were implemented:

Regarding the procedures adopted by the Company to satisfy the requirements of the Governance Guide in 2021, we would like to confirm that the corporate governance framework adopted by the Company in 2021 complied with all main requirements and provisions of the Governance Guide.

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

A. Board of Directors:

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

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

1. The Board of Directors has generally complied with the main requirements of its terms of reference with regard to various matters including, but not limited to, the number of Board members and the balance required among its members according to the specified standards, the terms of membership and the responsibilities of the chairman of the Board (**"Chairman"**), and the number of meetings to be held, the quorum required for meetings, and the majority needed to make decisions, the conditions for decision-making and the technical skills required for membership of the Board.
2. The independent Board members confirmed their independent status during the year 2021 and the Company verified that the legal requirements regarding the minimum number of independent Board members are satisfied.
3. The Board of Directors recommended the payment of an annual bonus to directors for the year 2021 as outlined in section c.2 of this report, subject to approval by the Company's annual general meeting in accordance with the relevant laws, regulations and the AOA.
4. The Board acknowledged the responsibilities, duties, powers and other requirements necessary for its functioning through the terms of reference of the Board of Directors.
5. The duties and responsibilities of the Chairman of the Board of Directors include the duties enumerated in the Governance Guide and have been specified in the terms of reference of the Board of Directors.
6. The terms of reference of the Board of Directors outline the duties of the Company's management toward the Board of Directors. These duties include, but are not limited to, organizing an induction program for new Board members and providing the Board with regular information to enable the Board to carry out its duties efficiently in accordance with the relevant laws, regulations and the Company's policies.
7. Some of the powers of the Board of Directors are delegated by way of a clearly defined authority matrix approved by the Board. This authority matrix is periodically reviewed and communicated to the relevant members of the management to comply with it.
8. Board members are subject to special disclosure obligations, including, but not limited to, disclosure of any positions they hold in other joint stock companies, any change to their independent status, dealings in Company's securities and any changes to the information they are required to submit annually as soon as such changes occur. Moreover, a Board member is required to provide full disclosures in respect of any matter being reviewed by the Board or any of its committees in which he has a conflict of interests.

B. Committees of the Board of Directors:

The Board of Directors established five committees, as follows:

(1) Audit Committee

(2) Nomination and Remuneration Committee

(3) Investment Committee

(4) Risk Committee

(5) Committee for monitoring Insiders Trading

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

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

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

C. Internal Control

The Board of Directors has established an internal control system in the form of an internal control policy. This system aims to assess the methods and procedures of risk management, ensure proper application of the Governance Guide, comply with applicable laws and regulations and internal policies, and review the financial information used in the preparation of the Company's financial statements. The Audit Committee assists the Board in overseeing the application of the internal control system, and the Internal Control Department coordinates the day-to-day operations related to this system.

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

D. External Audit

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

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

E. Code of Professional Conduct

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

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

F. Policy for dealing in securities issued by the Company

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

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

G. Policy Outlining Shareholders' Rights

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

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

H. Disclosure Committee

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

Corporate Governance Report for 2021

2. A statement of ownership and transactions of the members of the Board of Directors and their spouses and children in the Company' securities during 2021:

Name of Board Member	Relationship	Shares Owned as of 31 December 2021	Net Amount of Transaction (Excluding VAT and any other fees)
Mr. Mohamed Ali Alabbar	Himself	**2,700,500 shares**	None
	Relatives*	**324,310**	None
Mr. Jamal Bin Theniyah	Himself	**39,088 shares**	None
Mr. Jassim Al Ali	Himself	**1,000 shares**	None

* "Relatives" include spouse and children.

Other than the above, there are neither ownership nor transactions for the Board members or their Relatives in the Company's securities during 2021.

3. Composition of the Board of Directors:

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

Name/Designation	Category (Executive/ Non-Executive, Independent/Non-Independent)	Memberships and Positions in Other Joint Stock Companies (in UAE) and Government Entities	Date and Term of Appointment
Mr. Jamal Bin Theniyah Chairman	Non-executive, Non-Independent	1. Emaar Development PJSC – Board Member	Date of Appointment: 23 April 2012 Duration of his term as a board member: 10 years
Mr. Ahmed Jawa Vice-Chairman	Non-Executive, Non-Independent	2. Emaar Development PJSC – Board member	Date of Appointment: 8 March 2006 Duration of his term as a board member: 16 years
Mr. Mohamed Ali Alabbar Managing Director	Executive, Non-Independent	1. Emaar Development PJSC – Executive Board Member 2. Emaar Malls PJSC – Board member until 21 November 2021 (date of Merger between Emaar Properties PJSC and Emaar Malls PJSC)	Date of Appointment: 30 December 1997 Duration of his term as a board member: 24 years
Mr. Ahmad Al Matrooshi Executive Board Member	Executive, Non-Independent	Emaar Malls PJSC – Vice Chairman until 21 November 2021 (date of Merger between Emaar Properties PJSC and Emaar Malls PJSC)	Date of Appointment: 1 December 2005 Duration of his term as a board member: 16 years
Mr. Jassim Al Ali Board Member	Non-Executive, Independent	Jebel Ali Cement Factory (P.S.C.) – Board member	Date of Appointment: 22 April 2018 Duration of his term as a board member: 4 years
H.E. Eng. Sultan Al Mansoori Board Member	Non-Executive, Independent	1. Commercial Bank of Dubai – Vice Chairman 2. Orient Insurance – Board Member 3. Investment Corporation of Dubai (ICD) – Board Member 4. DP World – Board Member	Date of Appointment: 11 April 2021 Duration of his term as a board member: 9 months
Mr. Helal Al Marri Board Member	Non-Executive, Independent	1. Dubai's Department of Economy and Tourism – Director General 2. Dubai World Trade Centre Authority (DWTCA) – Director General 3. Dubai Expo 2020 Organizing Committee – Committee member 4. Dubai Chamber of Commerce and Industry – Board member 5. Taaleem Education – Board member 6. Investment Corporation of Dubai (ICD) – Board member 7. Dubai Financial Market PJSC – Chairman 8. Emaar Malls PJSC – Board member until 21 November 2021 (date of Merger between Emaar Properties PJSC and Emaar Malls PJSC)	Date of Appointment: 11 April 2021 Duration of his term as a board member: 9 months
Mr. Buti Al Mulla Board Member	Non-Executive, Independent	1. Emirates NBD PJSC – Board member 2. Dubai Insurance Company PJSC – Chairman 3. Emirates Islamic Bank (P.J.S.C.) - Vice-Chairman 4. Dubai Refreshment Company PJSC – Board member	Date of Appointment: 11 April 2021 Duration of his term as a board member: 9 months

Corporate Governance Report for 2021

Name/Designation	Category (Executive/ Non-Executive, Independent/Non-Independent)	Memberships and Positions in Other Joint Stock Companies (in UAE) and Government Entities	Date and Term of Appointment
Ms. Eman Abdulrazzaq Board Member	Non-Executive, Independent	1. Emirates NBD Group - Group Chief Human Resource Officer 2. Dubai Refreshment Company PJSC – Board member	Date of Appointment: 11 April 2021 Duration of her term as a board member: 9 months
Mr. Jamal Al Marri (Board Member till 11 April 2021)	N/A	N/A	N/A
Mr. Arif Al Dehail (Board Member till 11 April 2021)	N/A	N/A	N/A
Mr. Abdulla Belyoahah (Board Member till 11 April 2021)	N/A	N/A	N/A

Experience and Qualifications of Board of Directors:

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

Mr. Jamal Bin Theniyah, Chairman:

Mr. Jamal Bin Theniyah, born in 1958, holds a bachelor degree in Public Management.

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

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

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

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

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

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

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

Since 2012, Mr. Bin Theniyah sits as an independent member on the board of Directors of Emaar Properties, and have previously served as a board member in different entities.

In September 2017, Mr. Bin Theniyah has been elected as a non-executive board member of Emaar, the Economic City.

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

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

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

In 2010, he won the highest lifetime award by Seatrade “the life time achievement award”.

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

Mr. Ahmed Jamal Hassan Jawa, Vice-Chairman:

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

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

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

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

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

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

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

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

In addition, Mr. Jawa is the Chairman of Emaar Turkey and serves on Emaar Misr’s board in Egypt.

He is also the Chairman of its Audit Committee and a member of its Investment Committee.

He is on the Board of RAK Petroleum, an Oslo Børs-listed oil and gas investment company and serves as the Chairman of its Audit Committee.

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

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

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

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

Mr. Mohamed Ali Rashed Alabbar, Managing Director:

Founder & Managing Director of Emaar Properties

https://www.emaar.com/

Founder & Director of Noon.com

https://www.noon.com/

Chairman of Eagle Hills

https://www.eaglehills.com/

Chairman of Americana Group

https://americana-group.com/

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

Corporate Governance Report for 2021

Experience

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

Business Acumen

In addition, he has driven the growth of several regional players into world-renown sector champions including Americana Group (a multibillion-dollar food business, the largest integrated food company in the Middle East) and noon.com (the leading e-commerce platform in the region). He is also shareholder in Artstreet Limited which owns interests in real estate business. He is the Chairman of Zand, one of the world's first combined digital corporate and retail bank to launch from the UAE.

Education

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

Mr. Ahmad Al Matrooshi, Executive Board Member:

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

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

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

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

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

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

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

In 2006, Jassim finished his Bachelor's in Business Administration from American University of Sharjah (AUS). After graduation, Jassim joined his family business - API in 2006 as the Commercial Director. During his tenure, he worked on numerous projects and is currently accountable for over 50 property assets that are in the UAE.

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

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

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

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

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

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

As well positions below:

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

Current positions:

1. Board member Investment Corporation of Dubai
2. Vice Chairman/Board member Commercial Bank of Dubai
3. Board member DP World
4. Board member Emaar Properties PJSC

Mr. Helal Saeed Almarri, Board Member:

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

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

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

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

Mr. Buti Obaid Almulla, Board Member:

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

He has extensive professional business experience that spans over 31 years (since January 1990) across the banking, finance, real estate, hospitality, and investment sectors. Born in 1967, Mr. Almulla holds a diploma in business administration from Newberry College, Boston.

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

Ms. Eman Mahmood Abdulrazzaq, Board Member:

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

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

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

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

Eman is currently the Chairperson of the UAE Banks Federation (UBF) HR Committee and has worked closely with regulators and central banks on introducing sound remuneration policies across the UAE, Bahrain, Oman and KSA. Eman has been appointed as a Board member of Dubai Refreshment P.J.S.C. She was also previously a board member of the HSBC Middle East Finance Company.

Eman has been a board member of Emirates Institute for Banking and Financial Studies (EIBFS) where she played a key role in encouraging and supporting the youth of the UAE to pursue careers in banking and finance. Throughout her career Eman has continued to mentor and coach numerous individuals and is passionate about the development of Emirati talent in the corporate world.

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

b. A clarification on women's representation in the Board of Directors in 2021:

Ms. Eman Mahmood Abdulrazzaq represents women in the Board of Directors for the year 2021.She was appointed by the shareholders at the annual general meeting of the Company on 11 April 2021.

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

c.1. Total remuneration paid to members of the Board of Directors of the Company for the year 2020:

The total remuneration of the Board members (executive and non-executive) of the Company for the year 2020 was paid as approved by the annual general meeting of the Company and set out in 2020 Corporate Governance Report of the Company.

c.2. Total remuneration proposed to be paid to members of the Board of Directors of the Company (and members of the Board of Directors of Emaar Malls PJSC dissolved following merger with the Company) for the year 2021, in line with the Board Remuneration Policy of the Company approved by the shareholders at the annual general meeting on 11 April 2021, and which remuneration is subject to approval by the annual general meeting of the Company:

(i) AED 6,199,316 as total remuneration to be paid to non-executive members of the Company.

(ii) AED 36 million remuneration to the Managing Director, Mr. Mohamed Alabbar, in addition to his annual salary and reimbursement of his business travel and logistical expenses mentioned in Annex D of this report, for his executive duties in 2021.

(iii) AED 2,494,000 remuneration to the Executive Board Member, Mr. Ahmad Al Matrooshi, in addition to his annual salary mentioned in Annex D of this report for his executive duties in 2021.

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

(v) AED 3,267,808 as total remuneration to be paid to the non-executive board members of Emaar Malls PJSC which was dissolved following merger with the Company on 21 November 2021, except for the Managing Director of the Company as no payment shall be made to him against his Board membership in the Company's subsidiaries in line with the approved Policy for Managing Director Remuneration.

c.3. Remuneration and allowances for attending committee meetings

Allowances paid to Board members of the Company during the year 2021 for attending meetings of Board committees:

It was decided to pay an amount of one million two hundred ten thousand UAE Dirhams (AED 1,210,000) as allowances for attending meetings of the Board committees for the year 2021 as shown in Annex B-1, in accordance with the rate listed below for each meeting in line with the Board Remuneration Policy of the Company. No allowances will be paid to any executive Board member for attending meetings of committees.

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

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

There are no additional allowances, salaries or fees received by a Board member other than the allowances for attending the committees.

d. Number of Board Meetings held during the year of 2021:

The Board of Directors held five (5) meetings during the fiscal year of 2021 on the following dates to discuss matters that do not require disclosure as per the relevant disclosure and transparency regulation issued by the Securities and Commodities Authority:

- 2 March 2021
- 11 April 2021
- 14 July 2021
- 20 October 2021
- 8 December 2021

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

e. Number of the Board resolutions passed by circulation during the 2021 fiscal year, along with convening dates:

The Board of Directors issued ten (10) resolutions by circulation during the Fiscal Year 2021 on the following dates regarding matters that do not require disclosure as per the relevant disclosure and transparency regulation issued by the Securities and Commodities Authority, other than the resolutions passed by circulation on 17 March 2021 to invite the annual general assembly to convene and on 9 September 2021 to invite the general assembly to approve the Merger transaction:

- 7 January 2021
- 28 January 2021
- 2 February 2021
- 17 March 2021
- 24 May 2021
- 22 June 2021
- 5 September 2021 (two separate Board resolutions)
- 9 September 2021
- 8 December 2021

f. Delegation of Authority:

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

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g. Related Party Transactions:

The Company has not entered into any transaction with related parties in accordance with the definitions provided for these terms in the Governance Guide. Annex K attached to this report provides the key related party transactions as such term is defined in the International Financial Reporting Standards (IFRS) and which are already reflected in the consolidated financial statements for the year 2021, and carried out during the year in the normal course of business on the terms agreed between the parties.

h. Organizational structure of the Company:

Please refer to Annex C attached to this report which includes the Company's organizational structure as of 31 December 2021.

i. Senior Executive Employees:

Please refer to Annex D attached to this report which includes a list of the Company's senior executive employees, date of appointment, total salaries and allowances paid in 2021.

4. External Auditor:

a) Brief Background on the External Auditor:

KPMG is a global network of independent member firms offering audit, tax and advisory services. KPMG member firms operate in over 145 countries, collectively employing more than 236,000 people. KPMG Lower Gulf Limited is a provider of audit, tax and advisory services to a broad range of domestic and international clients across all sectors of business and the economy. KPMG Lower Gulf Limited has been operating in the UAE for more than 40 years through its offices in Abu Dhabi, Dubai and Sharjah, which together comprise more than 190 partners and directors and over 1,700 employees.

In addition to its presence in the UAE and Oman, KPMG is widely represented in the Middle East for more than 50 years and has offices in the UAE, Bahrain, Egypt, Jordan, Kuwait, Lebanon, Oman, Palestine, Qatar, and Saudi Arabia, with more than 5,000 employees in the Middle East.

KPMG was the first major firm of its kind to organize itself along industry lines – a structure which enabled them to develop in-depth knowledge of their clients' businesses and to provide them with an informed perspective. Over the years, KPMG has developed specialist industry and discipline groups to meet client requirements for professional advisors who understand and are experienced in a wide variety of business fields. KPMG have significant experience across key geographic areas and are engaged with leading industry players on a range of issues critical to the future of their industries. In addition to having many of the Middle East's leading organizations and government-related entities as its clients, KPMG in the Lower Gulf has been party to numerous milestone engagements in the region.

b) Audit Fees:

A table is attached to this report (Annex A) showing the total fees and costs related to the audit and other services provided by external auditors, including the details and nature of the services provided, and a statement of the other services provided by external auditors other than the Company's auditor in 2021, in addition to the number of years served as an external auditor of the Company.

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

The auditor's report did not provide any qualified opinion regarding the interim or annual financial statements for the year 2021.

5. Audit Committee:

a)

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

b) Composition and Functions:

The composition of the Company's Audit Committee during the year 2021 was as follows:

1. Mr. Abdulla Belyoahah (chairman).
2. Mr. Ahmed Jawa (member)
3. Mr. Jassim Al Ali (member)

On 11 April 2021, the Audit Committee was restructured as follows:

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

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

The Audit Committee oversees the Company's compliance with the code of professional conduct, ensures the proper discharge of its duties as set out in its terms of reference in accordance with the powers entrusted to it by the Board. The Audit Committee established practical tools to enable the employees to report any potential violations related to financial reports, internal controls or other violations and takes the necessary actions in this regard; it also reviews and approves related party transactions in accordance with the policies adopted by the Board in this regard.

c) Meetings and Attendance:

The committee held its meetings during 2021 to discuss matters relating to financial statements and other matters as follows:

- 4 February 2021
- 1 March 2021
- 6 May 2021
- 5 August 2021
- 4 November 2021
- 16 December 2021

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

6 Nomination and Remuneration Committee:

a)

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

b) Composition and Functions:

The composition of the Company's Nomination and Remuneration Committee during the year 2021 was as follows:

1. Mr. Arif Al Dehail (chairman)
2. Mr. Jamal Al Marri (member)
3. Mr. Abdulla Belyoahah (member)

On 11 April 2021, the Nomination and Remuneration Committee was restructured as follows:

1. Ms. Eman Abdulrazzaq (chairman)
2. Mr. Ahmed Jawa (member)
3. Mr. Helal Al Marri (member)

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

c) Meetings and Attendance:

The committee held its meetings during 2021 as follows:

- 27 January 2021
- 28 February 2021
- 30 March 2021
- 13 July 2021
- 14 October 2021
- 6 December 2021

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

7 Investment Committee:

a)

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

b) Composition and Functions:

The composition of the Company's Investment Committee during the year 2021 was as follows:

1- Mr. Ahmed Jawa (chairman)
2- Mr. Mohamed Ali Alabbar (member)
3- Mr. Jamal Bin Theniyah (member)
4- Mr. Arif Al Dehail (member)

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On 11 April 2021, the Investment Committee was restructured as follows:

1- Mr. Mohamed Ali Alabbar (chairman)

2- Mr. Jamal Bin Theniyah (member)

3- H.E. Eng. Sultan Al Mansoori (member)

4- Mr. Buti Al Mulla (member)

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

c) Meetings and Attendance:

The committee held its meetings during 2021 as follows:

- 1 March 2021
- 8 June 2021
- 12 July 2021
- 17 October 2021
- 8 December 2021

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

8 Risk Committee:

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

b) Composition and Functions:

The composition of the Company's Risk Committee during the year 2021 was as follows:

1- Mr. Ahmed Jawa (chairman)

2- Mr. Abdulla Belyoahah (member)

3- Mr. Jamal Al Marri (member)

On 11 April 2021, the Risk Committee was restructured as follows:

1- Mr. Ahmed Jawa (chairman)

2- Mr. Helal Al Marri (member)

3- Mr. Jassim Al Ali (member)

c) Meetings and Attendance:

The committee held its meetings during 2021 as follows:

- 25 March 2021
- 30 June 2021
- 23 September 2021
- 19 December 2021

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

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

9 Committee for Monitoring Insiders Trading:

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

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

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

c) Summary of the Committee's activities report for 2021

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

10 Internal Control System:

The Board of Directors has established an internal control system in the form of an internal control policy. This system aims to assess the methods and procedures of risk management, ensure proper application of the Governance Guide, comply with applicable laws and regulations and internal policies, and review the financial information used in the preparation of the Company's financial statements. The Audit Committee assists the Board in overseeing the application of the internal control system, and the Internal Audit Department coordinates the day-to-day operations related to this system.

The Internal Audit Department performs the internal control function under the supervision of the Audit Committee and the direction of the Board of Directors. The Department follows the rules governing the Company's internal control activities. The Board of Directors acknowledges its responsibility for the Company's internal control systems, for reviewing its methods of operation and confirms the effectiveness of internal control systems.

Mr. Irfan Sadiq serves as the Head of Audit since his appointment on 14 May 2014, and he is also the compliance officer of the Company and holds the following qualifications:

1- Chartered Certified Accountant (FCCA), United Kingdom.

2- Certified Public Accountant (CPA), United States of America.

3- Chartered Professional Accountant (CPA), Canada.

4- Certified Internal Auditor (CIA), United States of America.

5- Certified Fraud Examiner (CFE), United States of America.

The Internal Audit Department assists the Company in achieving its objectives by following a systematic and disciplined approach to assess and improve the efficiency of risk management, control systems and governance processes. In the event of material violations falling within the scope of the Internal Audit Department or identification of issues that must be disclosed in the annual report, a report is prepared regarding the matter and submitted to the Audit Committee which then take the necessary measures to deal with each of these cases, including requesting the management to provide essential clarifications or to take the needful actions to ensure effective resolution.

During 2021, the Audit Committee received reports and memorandums from Internal Audit Department on operational effectiveness, financial reporting and compliance with the Company policies including applicable laws and regulations. The Audit Committee is assisting the Board of Directors in overseeing the application of internal control systems and presented to the Board of Directors the details of the Internal Audit Department's reports and memorandums together with the minutes of the Audit Committee meetings for their records. The number of audit reports and memorandums issued to the Audit Committee are 26 reports.

11 Violations:

The Company did not commit significant violations of the Governance Guide during 2021.

12 Local community development and environmental conservation:

The Company contributed to number of initiatives related to the development of the local community, such as:

- World Autism Awareness Day, in collaboration with Dubai Autism Center – 2nd April 2021
- World Down-Syndrome Awareness Day, 21st March 2021
- Breast Cancer Awareness Month, October 2021
- Emirates Red Crescent Education Initiative to support the children of low-income families in the UAE and providing them laptops and tablets.
- Emaar Vaccination Drive. Emaar successfully vaccinated over 5,000 of its employees, their family members and those employed by Emaar's entities over five days.
- Iftar for Service Providers. Emaar Community Management supplied 188,640 Iftaar meal to the community's service providers across 12 communities and service provider campsites.
- Emaar's Partnership with Community Development Authority, which translated into many initiatives and donations totaling AED 3,587,416.05
- Emaar has dedicated over USD10 million for the Economically Weaker Section (EWS) housing projects in India since 2017.
- Emaar Misr: second phase of Beyout Al Kheir (housing units for an underprivileged families) were delivered in Luxor, Assiut, Beni Suef, and Sharqiya.
- March 2021, International Mother's Day.
- April 2021: Ramadan greetings projection on Burj Khalifa and the launch of a new Dubai Fountain show featuring the voice of AlAfasi.
- May 2021: Eid Al Fitr Show and the new Emirati song debuts at The Dubai Fountain, "Esmaha Dubai", by Emarati music composer and director Mohamed Al Ahmed.
- July 2021: Eid Al Adha projection on Burj Khalifa and Dubai Fountain Eid shows.
- Oct 2021: Expo2020 Dubai special projection show launch on Burj Khalifa, along with Expo's song launch at The Dubai Fountain.
- Nov 2201: Diwali Celebrations greeting projection on Burj Khalifa with a special Indian music show at The Dubai Fountain.
- Dec 2021: The UAE 50th National Day special show and greetings projected on Burj Khalifa and the UAE National Anthem is played at The Dubai Fountain.
- Dec 2021: Emaar NYE 2022 "Eve of Wonders" celebrations & fireworks light up Dubai sky in a show broadcast to an estimated 3 Billion viewers worldwide.
- Throughout 2021, Emaar Entertainment consolidated its partnerships with a number of charity and humanitarian entities to welcome orphans, as well as low-income families and their children to its attractions:
  - » International Charity Organization (ICO): A UAE, Ajman based International charitable and humanitarian organization.

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- » Dubai Women Establishment (Al Manal initiative in partnership with the Emirati Red Crescent and Sama Dubai).
- » Family Village under Dubai's Community Development Authority.
- » Al Mizhar Center (an early detection clinic under Dubai Health Authority).
- » Sharjah Social Empowerment Foundation.
- » Beit Al Khair Society.

- Emaar Hospitality Group contributed the following initiatives:
  - » Food wastage monitoring using Winnow Solutions systems.
  - » Partnership with UAE Food Bank across Armani Hotel Dubai and Address Hotels.
  - » Digital in-room systems in collaboration with Digivalet.
  - » Online booking for both Rooms and F&B through U By Emaar app.
  - » Rehashing Operation NXT LVL in the Downtown cluster.

13 General Information:

a. Please refer to Annex E of this report for information on the Company's share price in the financial market at the end of each month, during year 2021.

b. Please refer to Annex F regarding the comparative performance of the Company's shares as opposed to the market index and the sector index to which the company belongs, during year 2021.

c. Please refer to Annex G for categories of shareholders as of 31 December 2021.

d. There are no shareholders holding 5% or more of the company's capital, except for Investment Corporation of Dubai, which owns 25.57% of the share capital of the Company as of 31 December 2021 by way of owning 2,092,114,750 shares.

e. Please refer to Annex H for categories of shareholders by reference to the size of their percentage shareholding as of 31 December 2021.

f. Please refer to Annex I for the significant events that took place in the Company in 2021.

g. There are no transactions carried out by the Company with related parties during 2021, which are equal to 5% or more of the Company's capital as defined in the Governance Guide.

h. Emiratization percentage in the Company at the end of 2019, 2020, 2021 is as follows:
- 2019: 3.33%
- 2020: 3%
- 2021: 3.2%

i. Please refer to Appendix J for the list of innovative projects and initiatives implemented by the Company or which were under development during 2021.

j. Investor Relations Guidelines:

The name and contact information of the Investors' Relations Manager:

Mr. Abhay Singhvi

Contact Information:

» Tel No.: 04 362 7466

» Email: investor-relations@emaar.ae

The Investor Relations webpage link on the Company's website:

» Link: https://www.emaar.com/en/investor-relations

The appointment of Mr. Abhay Singhvi as Investor Relations Manager is a temporary appointment due to the resignation of the former Investor Relations Manager. The Company is still in the process of appointing an Investor Relations Manager who meets the requirements of Article 51 of the Governance Guide.

k. Special Resolutions presented to the Annual General Meeting held in 2021 and the procedures taken in relation to the same:

- By virtue of a Special Resolution, it was resolved to authorize the Board of Directors to approve the voluntary contributions for the year 2021 provided that such voluntary contributions do not exceed 2% of the average net profits of the Company during the two previous financial years. Accordingly, the Board made several donations during the year 2021 for the total amount of AED 23,875,418 as shown in the financial statements of the Company representing 0.58% of the average net profits of the Company during the two previous financial years.

- By virtue of a Special Resolution, it was resolved to amend the definition of "Related Parties" mentioned in Article (1) of the Company's Articles of Association in line with Companies Law and the Governance Guidance, to be read as follows:

- *"Related Parties mean the Chairman and members of the Company Board, members of the senior executive management of the Company, employees of the Company, and the companies in which any of such persons holds 30% or more of its capital, as well as subsidiaries or sister companies or affiliate companies.*

- By virtue of a Special Resolution, it was resolved to approve the following items:

  a) the proposed merger of the Company with Emaar Malls PJSC through the issuance and allotment of (0.51) new shares in the Company for every one (1) share in Emaar Malls PJSC except the shares registered in the name of the Company (the "Merger"), in addition to the internal reorganisation of the assets, rights, liabilities and businesses of Emaar Malls PJSC post the completion of the Merger and transferring the same into Emaar Malls Management LLC, a wholly owned subsidiary of the Company (the "Reorganisation");

  b) the terms of the merger agreement (as amended);

  c) the appointment of EY Consulting L.L.C. as independent valuer;

  d) the valuation of the Company and Emaar Malls PJSC;

  e) the increase of share capital of the Company to AED 8,179,738,882 (Eight billion one hundred seventy-nine million seven hundred thirty eight thousand eight hundred eighty two UAE Dirhams), and amending Article (6) of the Articles of Association of the Company accordingly to reflect such capital increase; and

  f) the authorisation of the Board of Directors of the Company, or any person so authorised by the Board of Directors, to take any action as may be necessary to implement the Merger and/or the Reorganisation.

l. The name of the Board Secretary and the date of her appointment:

Mrs. Rana Mattar was appointed as Board Secretary on 10 December 2020.

Rana joined the corporate legal department of Emaar in March 2008. She has been appointed as Company Secretary of Emaar. Rana started her career in 2000 with Abousleiman & Partners one of the leading law firms in Lebanon. She joined the inhouse legal department of BankMed in Lebanon in 2005 before relocating to Dubai. Rana studied law in Lebanon, France and the United States. She holds an LL.M. in Business Law from USJ – Panthéon-Assas Paris II and an LL.M. in US Law from Washington University in St. Louis, USA. Rana is a member of the Lebanese Bar Association and a certified company secretary from Hawkamah.

Jamal Bin Theniyah
Chairman of the Board of Directors

Eman Abdulrazzaq
Chairman of the
Nomination and Remuneration Committee

H.E. Eng. Sultan Al Mansoori
Chairman of the Audit Committee

Irfan Sadiq
Director of the Internal Control Department

Date: 17 March 2022

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Annex A

Audit fees Table Report

Name of the audit firm and partner auditor	Emilio Pera - KPMG
Number of years spent as external auditor of the Company	3 years
Total audit fees for 2021 (in AED)	330,000
Fees and costs of other special services other than auditing the financial statements for 2021 (in AED)	4,545,239
Details and nature of other services provided (if any)	Professional fees for Quarterly review of Financial Statements for Emaar Properties PJSC and its various subsidiaries, annual audit for various subsidiaries and Professional fees in relation to Sukuk issuance, advisory for e-commerce technology platform and other advisory services.
Statement of other services that an external auditor other than the company accounts auditor provided during 2021 (if any)	10,800,194

A statement of the services performed by external auditors other than the Company's auditor in 2021:

Name of Audit Firms	Beneficiary of the Service	2021 (AED)	Remarks
PricewaterhouseCoopers	Dubai Hills District Cooling LLC, Dubai Hills Hospitality and Dubai Hills Retail LLC	**105,000**	Audit fees
Ernst & Young	Emaar Misr, Emaar DHA Islamabad Limited, Emaar Karachi Limited, Emaar Middle East, Emaar Turkey, Manarat Al Manzil, Emaar Properties PJSC, Casa Vida, Emaar Hotels & Resorts LLC, Emaar Reinsurance, Rove Hospitality Group	**5,152,569**	Audit fees for various subsidiaries, Tax Advisory services and other consultancy services.
FinServ Consulting	Emaar Misr	**1,808,876**	Income tax and VAT consultation
Deloitte & Touche (M.E.)	Emaar Hotels & Resorts, Emaar Properties PJSC, Emaar Lebanon and others	**532,245**	Audit and Tax consultation fees
Maryam Bin Belaila Auditing	Amarco Investment L.L.C	**4,000**	Audit fees
Al Jeroudy Accounting & Auditing	Emaar Entertainment LLC	**20,000**	Revenue & Municipality Audit
N R Doshi & Partners	Emaar Entertainment LLC	**2,550**	Revenue & Municipality Audit
Grant Thornton	Emaar Properties PJSC, Emaar Holding, Emaar Holding II, and Manarat Al Manzil	**176,355**	Statutory Audit of subsidiaries and advisory services
GMR & Associates	Cyberabad Convention Centre Pvt Ltd, Boulder Hills Leisure Private Limited and Emaar Hills Township Private Limited	**26,838**	Company Secretarial Services
AHMET YILDIZ - YILDIZ MALİ MÜŞAVİRLİK	Emaar Turkey	**82,496**	Consultancy fees
NAC & Associates LLP	Cyberabad Convention Centre Pvt Ltd, Boulder Hills Leisure Private Limited and Emaar Hills Township Private Limited	**166,850**	Internal audit, ROC matters and tax audit
BDO India LLP	Cyberabad Convention Centre Pvt Ltd, Boulder Hills	**15,718**	Internal and tax audit
MNV & CO	Emaar India Limited	**16,774**	Tax audit fee of subsidiaries
Walker Chandiok & Co LLP	Emaar India Limited, Cyberabad Convention Centre Pvt Ltd, Boulder Hills Leisure Private Limited and Emaar Hills Township Private Limited	**946,903**	Statutory audit fee, GST & tax audit fee of subsidiaries
JITENDER NAVNEET AND CO	Emaar India Limited	**26,092**	Consultancy fees
BAŞARMAN GLOBAL DANIŞMANLIK LTD.ŞTİ	Emaar Turkey	**27,347**	Consultancy fees
A & T business consultants and FCO	Emaar Misr	**82,897**	Consultancy fees
Allied Accounting And Auditing Chartered Accountants	Emaar Properties PJSC	**56,000**	Consultancy fees
Anwar Associates	Emaar Karachi Limited	**795**	Consultancy fees
Asrem (Private) Ltd.	Emaar Karachi Limited	**22,363**	Consultancy fees
ASREM Pvt Ltd	Emaar DHA Islamabad Limited	**14,258**	Land and Actuarial valuation
Chartered House Tax Consultancy	Emaar Malls Group	**27,796**	Advisory & Taxation Fees
Colliers International Pakistan (Pvt) Ltd.	Emaar Karachi Limited	**96,004**	Consultancy fees
Dhruva Advisors LLP	Emaar Properties PJSC	**175,645**	Filing of CBCR
Egyptian Consulate	Emaar Malls Group	**25,418**	Professional fees for sales review of EMG tenants
Haraiak & co	Manarat Al Manzil	**2,938**	Consultancy fees
Horwath Mak	Emaar Malls Group	**16,625**	Professional fees for sales review of EMG tenants
Ilyas Saeed & Co.	Emaar Karachi Limited	**1,129**	Consultancy fees
Kinanis LLC	Emaar Properties PJSC	**934**	Consultancy fees
KSI Shah & Associates Chartered Accountants	Emaar Properties PJSC	**12,500**	Consultancy fees
MCA AUDITING	Emaar Properties PJSC	**33,873**	Consultancy fees
MJ PANNI ASSOCIATES	Emaar Karachi Limited	**16,419**	Consultancy fees
R.A. & Co. Chartered Accountants	Emaar Karachi Limited	**22,463**	Consultancy fees
RightCFO Services Pvt Limited	Boulder Hills Leisure Private Limited and Emaar Hills Township Private Limited	**14,910**	GST Consultancy Services
ST & CO.	Emaar Karachi Limited	**5,204**	Consultancy fees
W T S Dhruva Consultants	Emaar Properties PJSC	**110,192**	Economic substance regulations compliance services
Other Audit Firms	Emaar DHA Islamabad Limited, Emaar Karachi Limited, Emaar Lebanon, Emaar Misr, Emaar Turkey, Indian subsidiaries, Emaar Malls Group	**951,218**	Tax related consultancy, consultancy and advisory fees
Total		**10,800,194**	

Corporate Governance
Report for 2021

Annex B-1

Attendance of Board members of Emaar Properties PJSC the committee meetings and allowances[1] entitled for the year 2021

	Name	Nomination & Remuneration Committee		Audit Committee		Risk Committee		Investment Committee	
		Attendance	Allowance	Attendance	Allowance	Attendance	Allowance	Attendance	Allowance
1	Mr. Jamal Bin Theniyah	-	-	-	-	-	-	5	85,000
2	Mr. Ahmed Jawa	3	45,000	5	100,000	4	100,000	5	80,000
3	Mr. Mohamed Ali Alabbar	-	-	-	-	-	-	3	-
4	Mr. Ahmad Al Matrooshi	-	-	-	-	-	-	-	-
5	Mr. Jassim Al Ali	-	-	6	120,000	3	60,000	-	-
6	H.E. Eng. Sultan Al Mansoori	-	-	4	100,000	-	-	4	60,000
7	Mr. Helal Al Marri	3	45,000	-	-	2	40,000	-	-
8	Mr. Buti Al Mulla	-	-	-	-	-	-	4	60,000
9	Ms. Eman Abdulrazzaq	3	60,000	-	-	-	-	-	-
10	Mr. Jamal Al Marri	3	45,000	-	-	1	20,000	-	-
11	Mr. Arif Al Dehail	3	60,000	-	-	-	-	1	15,000
12	Mr. Abdulla Belyoahah	3	45,000	2	50,000	1	20,000	-	-

- All meetings were attended in person and there was no attendance by proxy.

[1] Allowances amount in AED

Annex B-2

Attendance of Board Meetings

Name	Attendance
Mr. Jamal Bin Theniyah	5
Mr. Ahmed Jawa	5
Mr. Mohamed Ali Alabbar	5
Mr. Ahmad Al Matrooshi	5
Mr. Jassim Al Ali	5
H.E. Eng. Sultan Al Mansoori	4
Mr. Helal Al Marri	4
Mr. Buti Al Mulla	4
Ms. Eman Abdulrazzaq	4
Mr. Jamal Al Marri	1*
Mr. Arif Al Dehail	1*
Mr. Abdulla Belyoahah	1*

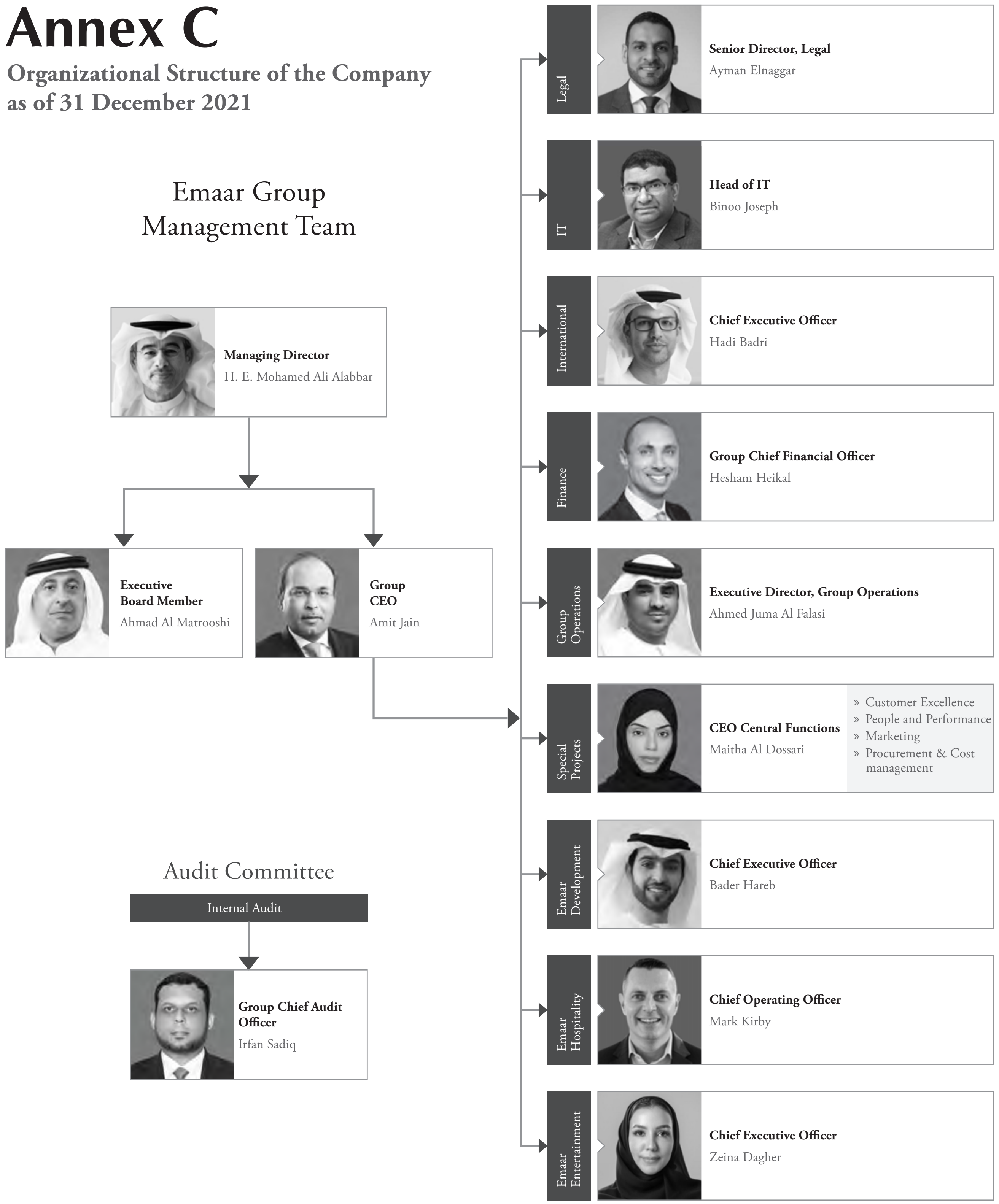
* Mr. Al Marri, Mr. Al Dehail and Mr. Belyoahah retired in April 2021

- All meetings were attended in person and there was no attendance by proxy.

Corporate Governance Report for 2021

Annex C

Organizational Structure of the Company as of 31 December 2021



Annex D

Senior Executive Employees

SN	Position	Date of Appointment	Total Salaries and Allowances paid for 2021 (AED)	Total Bonuses paid during 2021 (AED)	Any other Cash/ in-kind bonuses for 2021 or due in the future
1	Managing Director	1 January 1997	9,800,000	Please refer to Notes hereinbelow	
2	Executive Board Member	1 November 2005	2,191,813	Please refer to Notes hereinbelow	
3	Group Chief Executive Officer	1 May 2006	4,170,469	4,758,924	-
4	CEO International	1 September 2015	2,458,416	2,038,939	-
5	Group Chief Financial Officer	22 November 2020	2,403,289	-	-
6	Executive Director – Group Operations	10 March 2002	2,130,676	1,019,550	-
7	CEO Strategic Projects	10 September 2000	1,830,004	1,317,026	-
8	Ex Executive Director, Legal	25 November 2020 (Left the Company on 13 September 2021)	1,120,000	-	420,000
9	Senior Director, Legal	13 April 2021	716,090	-	-
10	Group Chief Audit Officer	14 May 2014	1,805,275	953,201	-
11	Head of Information Technology	19 November 2020	1,609,701	-	-
12	CEO, Entertainment	12 November 2008	1,379,148	392,098	-
13	Chief Operating Officer – Emaar Hospitality	16 November 2014	1,071,112	401,500	-

Notes:

- Please refer to section c1 & c2 in this report on remuneration of members of the Board of Directors of the Company.
- The Managing Director is also entitled for the business travel and related logistical expenses reimbursement amounting to AED 7,325,800 in line with the Board Remuneration Policy of the Company.

Corporate Governance
Report for 2021

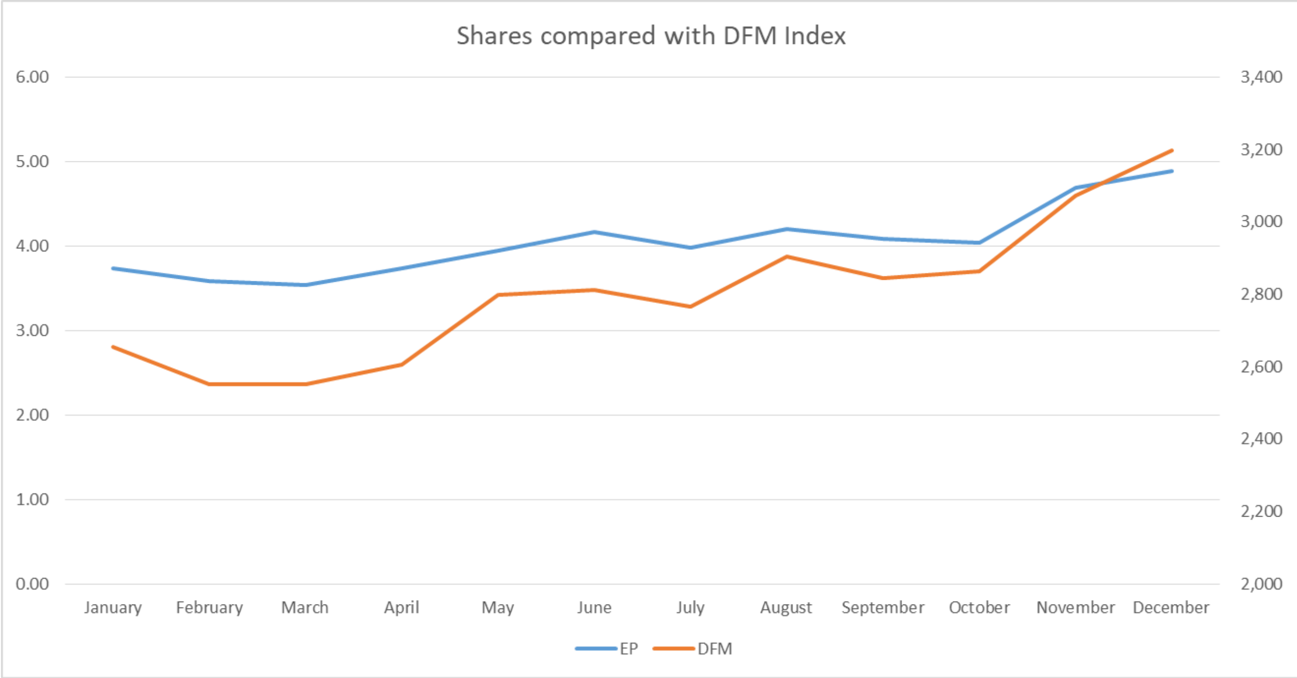
Annex E

Company Share Price in the Market (Closing Price, Highest Price, Lowest Price) at the end of each month during the year 2021.

2021	Highest price	Lowest price	Closing price
January	4.22	3.54	3.73
February	4.00	3.40	3.58
March	3.81	3.43	3.54
April	4.03	3.53	3.73
May	4.15	3.72	3.95
June	4.29	3.95	4.16
July	4.19	3.89	3.98
August	4.22	3.95	4.20
September	4.26	3.97	4.08
October	4.13	3.91	4.04
November	5.33	4.04	4.69
December	5.10	4.65	4.89

Annex F

Comparative performance of the Company's shares with the market index and the sector index to which the Company belongs during 2021



Corporate Governance
Report for 2021

Annex G

Categories of Shareholders as of 31 December 2021

(Individuals, Companies and Governments) classified as follows: UAE, GCC, Arab, foreign

Shareholder Category	Percentage of Shares Owned			Total
	Individual	Companies	Government	
UAE	21.0245%	15.1602%	26.2109%	62.3955%
GCC	1.8549%	4.8266%	-	6.6815%
Arab	1.6243%	0.0802%	-	1.7045%
Foreign	1.3862%	26.0258%	1.8065%	29.2185%
Total	25.8899%	46.0928%	28.0173%	100%

Annex H

Categories of Shareholders According to the Size of their Percentage Shareholding as of 31 December 2021

Share(s) Owned	Number of Shareholders	Number of Share Held	% of Shares Held of the Capital
Less than 50,000	42,242	366,238,135	4.477%
From 50,000 to less than 500,000	4,234	605,666,353	7.405%
From 500,000 to less than 5,000,000	828	1,238,139,410	15.137%
More than 5,000,000	201	5,969,694,984	72.982%
Total	**47,505**	**8,179,738,882**	**100%**

Corporate Governance
Report for 2021

Annex I

Significant Events of the Company during 2021

- The Dubai Mall and Dubai Marina Mall celebrate the Chinese New Year.
- Opening of Time Out Market Dubai at Souq Al Bahar.
- Opening of Zabeel Sports District at The Zabeel Dubai Mall.
- Opening of the Sky Views Observatory.
- The Dubai Mall celebrates NYE 2022 with the world's largest Christmas bauble ornament along with giant characters around the mall representing various Christmas-themed stories.
- Opening of Vida Beach Resort Umm Al Quwain.
- Opening of Vida Beach Resort Marassi Al Bahrain.
- Opening of Address Beach Resort Fujairah.
- Opening of Address Istanbul.
- Reopening of Address Fountain Views.
- Opening of Rove Expo 2020.
- Expo 2020 Dubai – Emaar Hospitality Group partner for Expo 2020 for hotel, hospitality & catering.
- Earth Hour was observed across all Emaar Community Management's communities by switching off all non-essential lights for one hour.
- Emaar Asset Management was announced as the Winner, Middle East Region Corporate Energy Management by the international organization Association of Energy Engineers (AEE) Awards.
- Emaar Asset Management bagged the Best Asset Management Company of the Year at the Innovation in Facilities Management Awards held on 09 June at Sofitel Dubai The Obelisk, UAE.
- Contractor permits went digital with ecmpermits.ae
- Emaar Community Management bagged three awards at the Smart Built Environment Awards 2021 on 08 September 2021, winning Best Community Management Company of the Year, Best CSR Initiative of the Year and Best Adoption of Technology - Property Award.
- Emaar Community Management won the Most Innovative Customer Happiness Initiative on 20 October 2021 at the virtual Customer Happiness Awards 2021.
- Emaar Community Management won Community Management Company and Happiest Residential Community of the Year (Arabian Ranches) at the International Real Estate Community Management Summit (IRECMS) Awards 2021 held on 09 December 2021.
- Emaar Community Management certified as an ISO 45001:2018, ISO 14001:2015 and ISO 50001:2018 community management company.

Annex J

Innovative Projects and Initiatives implemented by the Company during 2021

1. Intrapreneur Program

- Revamped Employee suggestion scheme and launched 2 Phases of Intrapreneur Program in 2021.
- Implemented Viima App as main portal to submit new ideas and record comments, likes and share. The portal recorded 710 ideas, 3800+ comments, 8300+ likes and 1600+ shares related to Intrapreneur Challenges.
- Idea Challenge was launched in Phase 1 to invite ideas in three categories; to improve EBIDTA, guest satisfaction and operational efficiency. 16 ideas were shortlisted and presented to the Innovation Committee and at the end of the evaluation, 4 winners were awarded.
- Innovation Challenge was launched in Phase 2 to allow and open more innovations across the group. Phase 2 challenge does not follow any category and it is open for any innovative ideas across all grade levels. 57 ideas were submitted wherein 8 ideas are shortlisted for presentation to the Innovation Committee.

2. Emaar Talent Programs for all grade levels

- Leadership Succession & 6-month Executive Coaching (Grade 10 and above) – launched in Dubai with 8 Executive Leaders and International with 15 identified leaders from 4 countries.
- Harvard Spark Program for Grade 9 and above Leaders – launched online learning program for 100 leaders offering program topics related to leadership & management skill development.
- Harvard Manage Mentor Program for Grade 7-8 and top performing Grade 6 – launched online learning program for 400 staff offering 42 Modules focus on Leading self , leading others & leading business.
- Linkedin Learning Program for Grade 5 and above – Activated 1800 licensed users to assess wide range of modules and learning videos. 7,721 LinkedIn Courses completed till end of December 2021.
- Rapl Rapid Micro-bite sized learning for Grade 1 to 4 – Online platform where each employee will get a personalized queue of learning. 76 Quizzes Live at the portal and there are 3747 licensed users activated till end of December 2021.

3. Top Talent Programs

- 2 Talent Development programs - Top Talent and Future Shapers, were piloted in Dubai in 2021.
- Rewards are conceptualized with a clear focus on career development along with financial gain which includes Mentorship by C-level executives, 15% salary increment, Yearlong international assignment and 100% additional bonus.
- 180 nominations received from Dubai and International offices wherein 55 candidates have been shortlisted for assessment and selection in Q1 2022.

4. Emaar Playbook Project

- Developed 20+ playbooks in Dubai & 15 in Egypt wherein all playbooks were finalized with team members and approved by respective Head of Departments.
- Playbooks are live and accessible to all Emaar Employees on Emaar Portal.

5. Emaar Employee App

- Implemented HR Services and Programs in Omni App for easy access of self-service request, performance evaluation and learning & development programs.
- Employees can now update their personal information, submit ideas for Intrapreneur program portal, manage their performance, raise self service requests directly from Oracle.

6. Leadership 360-degree Feedback

- Completed 360 Feedback for 96 Leaders (Grade 7+) across 312 evaluators through Qualtrics portal.
- The project is to recognize and leverage on a leader's key strength and identify Top 3 competencies (their leadership DNA) and Bottom 3 competencies of each leaders - Total 1170 surveys sent with 81% response rate.

7. Emiratization Drive

- Launched Emiratization Drive to focus on hiring young UAE nationals across the group. 24 Young Emiratis were onboarded from November to December 2021 upon launching of this program.
- Carried out open interview events and developed new salary structure for UAE nationals to attract more new Emirati talents .

Corporate Governance
Report for 2021

Annex K

Statement of the Related Parties Transactions in accordance with the International Financial Reporting Standards (IFRS) as listed in the Consolidated Financial Statements of the Company for the year 2021

The Group in the normal course of business enters into transactions with individuals and other entities that falls within the definition of related party. The Group's related parties include key management personnel, entities held under common control, associates, joint ventures and others.

The Group is partly owned by Investment Corporate of Dubai ("ICD"), an entity owned by the Government of Dubai ("Government"). The Group enters into transactions, in the normal course of business, with Government-owned entities and entities wherein ICD has control, joint control or significant influence. In accordance with the exemption available in IAS 24, management has elected not to disclose such transactions, which are primarily in nature of financing and operational related activities, and entered in the normal course of business at commercial terms.

Related party transactions

During the year, the following were the significant related party transactions, which were carried out in the normal course of business on terms agreed between the parties:

	2021 AED'000	2020 AED'000
Associates and Joint Ventures:		
Property development expenses	**31,742**	53,150
Islamic finance income	**2,229**	2,384
Selling, general and administrative expenses	**12,831**	7,374
Revenue from leasing, retail and related income	**273**	2,890
Cost of revenue	**636**	837
Other operating income	**6,605**	7,863
Directors, Key management personnel and their related parties:		
Selling, general and administrative expenses	**159,193**	165,657
Rental income from leased properties and related income	**79,816**	78,868
Finance costs	**44,328**	50,180
Cost of revenue	**11,755**	78,603
Other income	**3,000**	4,700
Other operating income	**23,703**	54,339

Related party balances

Significant related party balances (and the consolidated statement of financial position captions within which these are included) are as follows:

	2021 AED'000	2020 AED'000
Associates and Joint Ventures:		
Trade and other payables	**14,978**	70,644
Trade and unbilled receivables	**1,671**	881
Directors, Key management personnel and their related parties:		
Trade and unbilled receivables	**2,897**	42,720
Other assets, receivables, deposits and prepayments	**151,772**	820,020
Trade and other payables	**694,398**	737,874
Advance from customers	**4,312**	3,092

Compensation of key management personnel

The remuneration of key management personnel during the year was as follows:

	2021 AED'000	2020 AED'000
Short-term benefits	**219,799**	264,803
Employees' end-of-service benefits	**8,545**	7,933
	228,344	272,736

During the year, the number of key management personnel is 160 (2020: 173).

During the year, the Company has paid a bonus of AED 9,329 thousands to the non-executive members of the Board of Directors for the year 2020 as approved by the shareholders at the Annual General Meeting of the Company held on 11 April 2021 (2020: AED 7,350 thousands).

Section 6

Directors' Report

The Board of Directors of Emaar Properties PJSC (the "Company") has pleasure in submitting the consolidated statement of financial position of the Company and its Subsidiaries (the "Group") as at 31 December 2021 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31 December 2021.

Principal activities

The principal activities of the Group during the year ended 31 December 2021 were property investment, development and development management, shopping malls and retail, hospitality, property management and utility services and investment in providers of financial services.

Financial results

The Group has recorded a net profit attributable to the owners of the Company of AED 3,800 million for the year ended 31 December 2021.

In accordance with the Articles of Association of the Company and applicable UAE Federal Law, an appropriation of AED 380 million is made to a general reserve from the distributable profit of AED 3,800 million.

The transfer of profit to statutory reserve has been suspended as the reserve has reached 50% of the paid-up share capital. However, during the year, in compliance applicable UAE Federal Law, AED 2,098 million, net has been credited to statutory reserve, being the excess of fair value of the Company's shares over the nominal value per share issued to non-controlling interest on merger of Emaar Malls PJSC with the Company.

The Board of Directors of the Company has proposed a cash dividend of 15%, which is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

The balance of the distributable profit after considering appropriation to general reserve and proposed dividend (subject to approval of the shareholders at the Annual General Meeting) will be transferred to retained earnings. Total equity attributable to owners of the Company as at 31 December 2021 amount to AED 61,693 million prior to proposed dividend.

Outlook for 2022

Underlying the robust performance in 2021, through proactive responses to challenging business environment, Emaar achieved highest ever property sales of AED 33,762 million (including joint ventures and development agreements) in 2021. This is a testament of customers' trust in Emaar's brand and in the people driving the Group's innovation and quality. Led by significant property sales, Emaar now has a significant revenue backlog of over AED 46,057 million (including joint ventures and development agreements) to be recognised as revenue over the coming years.

The Group is optimistic for 2022 and continuously focusses on real estate development and handover of real estate units at the highest quality and on a timely basis. The Group's significant revenue backlog from real estate sale together with its recurring revenue streams continue to provide significant stability of revenue for the coming years. The Group's strategy for 2022 is to further increase the share of revenues from global operations and enhance the proportion of profit from recurring revenue streams, including shopping malls and online retail, hospitality and entertainment. Digital transformation and product innovation coupled with enhancing market reach have set the platform for future growth and long-term value creation for shareholders.

Transactions with related parties

The consolidated financial statements disclose related party transactions and balances in note 32. All transactions are carried out as part of our normal course of business and in compliance with applicable laws and regulations.

Directors

Mr. Jamal Bin Theniyah	(Chairman)
Mr. Ahmed Jawa	(Vice Chairman)
Mr. Mohamed Ali Alabbar	(Managing Director)
Mr. Ahmad Al Matrooshi	(Executive Director)
Mr. Jassim Al Ali	(Director)
H.E. Eng. Sultan Al Mansoori	(Director)
Mr. Helal Al Marri	(Director)
Mr. Buti Al Mulla	(Director)
Ms. Eman Abdulrazzaq	(Director)

Auditors

KPMG were appointed as external auditors of the Group for the year ended 31 December 2021. The Board of Directors has recommended KPMG as the auditors for 2022 for approval by the shareholders at the forthcoming Annual General Meeting.

On behalf of the Board

Jamal Bin Theniyah
Chairman

Dubai, United Arab Emirates
17 March 2022

Independent Auditors' Report

To the Shareholders of Emaar Properties PJSC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Emaar Properties PJSC ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated income statement, consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition on sale of properties and lease rental income

See Note 2.2, 2.4 and 5 to the consolidated financial statements.

The key audit matter	**How the matter was addressed in our audit**
The Group recognizes revenue on sale of properties in accordance with IFRS 15 "Revenue from Contracts with Customers" and Lease income in accordance with IFRS 16 "Leases". The Group recognises revenue on sale of properties either at point in time or over time depending on the terms of contracts with customers and the relevant laws and regulations of the jurisdiction in which it has entered into the contract with its customers. Revenue recognition on sale of properties was considered a key audit matter due to following key elements of judgement and estimation involved that warrant additional audit focus:	• We assessed the appropriateness of the revenue recognition accounting policies adopted by the Group and its compliance with International Financial Reporting Standards ("IFRS"). • We evaluated management assessment and whether the requirements of IAS 8 have been appropriately considered with respect to restatement of comparative financial information as disclosed in note 2.4. • Obtained understanding of the revenue process implemented by the Group; • We have performed test of design and implementation of relevant controls;

Independent Auditors' Report

See Note 2.2, 2.4 and 5 to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
• the analysis of whether the contracts comprise one or more performance obligations; • determining whether the performance obligations are satisfied over time or at a point in time; • estimation of total costs required to meet performance obligations under the contracts with customers and for performance obligations satisfied over time, recognize proportionate revenue to the extent of satisfaction of performance obligation; and • evaluating the probability that the Group will collect the entitled consideration under the contracts with customers. During the current year, there has been a change in the timing of revenue recognition for sale of properties by Emaar Misr for Development SAE (a subsidiary of the Company), which has been accounted for retrospectively and hence resulted in restatement of comparative financial information. Rental income from leased properties is recognised in accordance with the terms of the lease agreed with the tenants on a straight-line basis from the lease commencement date over the period of the lease. The lease agreements may include certain clauses relating to (i) lease income computed based on lessee turnover; and (ii) tenant incentives which may affect the amount of rental income recognized during the year. The COVID 19 pandemic ("the pandemic") has increased the level of uncertainty in relation to some of the tenants' ability and intent to comply with the terms of the lease agreement. Considering the inherent risks around the existence and accuracy of the rental income recognised given the uncertainty caused by the pandemic, rental income from leased properties is a matter that warrants additional audit focus.	• On a sample basis, we assessed the contracts for sale of properties to identify the performance obligations of the Group under these contracts and assessed whether these performance obligations are satisfied over time or at a point in time based on the criteria specified under IFRS 15; • On a sample basis, we assessed the appropriateness of percentage of completion of the construction of properties by reference to costs incurred to date compared to the estimated total costs where the performance obligation is satisfied over time; • On a sample basis, we assessed the adequacy of the total estimated cost to complete through the management appointed external cost consultant's report, supporting agreements and other relevant information. For costs incurred to date, we have tested on a sample basis, significant items of cost components by comparing these to the relevant supporting documents including payment certificates to ascertain the existence and accuracy of the costs of work done; • On a sample basis, we tested lease agreements to ensure the existence and accuracy of the revenue recognised during the year and it's compliance with International Financial Reporting Standards; • We assessed the reasonableness of the estimates and assumptions made by management in relation to the collectability of the rental income recognized during the year; and • We assessed the adequacy of the Group's disclosure in relation to the requirements of IFRS 15 and IFRS 16.

Independent Auditors' Report

Assessment of net realisable value and recoverable amount ("the value") of development properties and investment properties ("the properties") respectively

See Note 2.2, 2.4, 12 and 17 to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
The Group holds development properties both for completed projects and projects under construction and investment properties (collectively referred to as "the properties"). Determining the value of these properties is a significant judgement area and is underpinned by a number of assumptions. Development properties are stated at the lower of cost and estimated net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Investment properties are measured at cost less accumulated depreciation and impairment if any. The Group engages professionally qualified external valuers to assess the value of substantial portion of its properties. The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The external valuers report contains material uncertainty clauses due to the market disruption caused by the COVID-19 pandemic, which is consistent with the guidance issued by RICS Valuation Global Standards. These clauses do not invalidate the valuation nor does it indicate that the valuation cannot be relied upon, but implies that there is substantially more uncertainty in relation to assessing the value of the Group's properties than under normal market conditions. Assessment of the value requires management to make significant estimates and judgements. This coupled with existence of material estimation uncertainty, warrants specific audit focus in this area as any error in determining the value could have a material impact on the carrying value of the Group's properties in the consolidated financial statements.	• We evaluated the qualifications and competence of the external valuers and read the terms of engagement of the valuers with the Group to determine whether there were any matters that might have affected their objectivity or limited the scope of their work; • We involved our real estate valuation specialist, who on a sample basis, reviewed valuation methodologies used in the valuation process and challenged assumptions for key estimates of sales price, cost to complete, market rent, future rental income, operating costs, occupancy rate, discount rates, capitalization and terminal yield rates used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors; • On a sample basis, performed audit procedures to assess whether the source data used for determining the value are reasonable by comparing it to the underlying supporting information; • Performed sensitivity analysis on the significant assumptions to evaluate the extent of the impact of changes in the key assumptions to the conclusions reached by management; and • We assessed the adequacy of the disclosure in the consolidated financial statements.

Independent Auditors' Report

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditors' report thereon. We obtained Directors' Report prior to the date of our auditors' report, and we expect to obtain the remaining sections of the Annual Report after the date of the auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and their preparation in compliance with the applicable provisions of the UAE Federal Law No. (2) of 2015 (as amended), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Independent Auditors' Report

- 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 year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Law No. (2) of 2015 (as amended), we report that for the year ended 31 December 2021:

i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;

ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (2) of 2015 (as amended);

iii) the Group has maintained proper books of accounts;

iv) the financial information included in the Directors' report is consistent with the books of accounts of the Group;

v) as disclosed in notes 2.1, 4, 13 and 15 to the consolidated financial statement, the Group has purchased shares during the year ended 31 December 2021;

vi) note 32 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted;

vii) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the financial year ended 31 December 2021 any of the applicable provisions of the UAE Federal Law No. (2) of 2015 (as amended) or in respect of the Company, its Articles of Association, which would materially affect its activities or its consolidated financial position as at 31 December 2021; and

viii) note 6 to the consolidated financial statements discloses the social contributions made during the year.

KPMG Lower Gulf Limited

Emilio Pera
Registration No.: 1146

Dubai, United Arab Emirates
Date: 17 March 2022

Consolidated Income Statement
For the year ended 31 December 2021

(US$ 1.00 = AED 3.673)

	Notes	2021 AED'000	2020 AED'000 (Restated)*
Revenue	5	**28,269,645**	17,959,478
Cost of revenue	5	**(16,518,493)**	(11,426,812)
GROSS PROFIT		**11,751,152**	**6,532,666**
Other operating income		**393,612**	266,664
Other operating expenses		**(141,741)**	(101,311)
Selling, general and administrative expenses	6	**(4,072,052)**	(3,529,258)
Depreciation of property, plant and equipment	16	**(657,824)**	(665,679)
Depreciation of investment properties	17	**(624,623)**	(592,857)
Finance income	7(a)	**430,057**	484,630
Finance costs	7(b)	**(1,295,102)**	(1,095,717)
Other income	4(a)(iii)	**216,366**	2,447,391
Share of results of associates and joint ventures	15	**314,567**	(581,736)
Impairment	2.2	**(190,669)**	(550,950)
PROFIT BEFORE TAX		**6,123,743**	**2,613,843**
Income tax (expenses) / credit	8	**(407,164)**	192,498
PROFIT FOR THE YEAR		**5,716,579**	**2,806,341**
ATTRIBUTABLE TO:			
Owners of the Company		**3,800,110**	2,109,200
Non-controlling interests		**1,916,469**	697,141
		5,716,579	**2,806,341**
Earnings per share attributable to the owners of the Company:			
- basic and diluted earnings per share (AED)	28	**0.52**	0.29

* Certain amounts shown here do not correspond to 2020 consolidated financial statements and reflect adjustments made as detailed in Note 2.4

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2021

(US$ 1.00 = AED 3.673)

	2021 AED'000	2020 AED'000 (Restated)*
Profit for the year	**5,716,579**	2,806,341
Other comprehensive income /(loss) items to be reclassified to income		
statement in subsequent periods:		
Decrease in unrealised gains/ (losses) reserve	**(10,488)**	(17,783)
Increase / (decrease) in foreign currency translation reserve	**3,404**	(42,400)
Net other comprehensive income/(loss) items to be reclassified to income statement in subsequent periods	**(7,084)**	**(60,183)**
Other comprehensive income /(loss) items not to be reclassified to income		
statement in subsequent periods:		
Increase / (decrease) in unrealised gains / (losses) reserve	**21,877**	(32,060)
Realised gain on fair value movement through other comprehensive		
income	**17,374**	-
Net other comprehensive income / (loss) items not to be reclassified to income statement in subsequent periods	**39,251**	**(32,060)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**5,748,746**	**2,714,098**
ATTRIBUTABLE TO:		
Owners of the Company	**3,845,625**	2,044,565
Non-controlling interests	**1,903,121**	669,533
	5,748,746	2,714,098

* Certain amounts shown here do not correspond to 2020 consolidated financial statements and reflect adjustments made as detailed in Note 2.4

Consolidated Statement of Financial Position

As at 31 December 2021

(US$ 1.00 = AED 3.673)

	Notes	31 December 2021 AED'000	31 December 2020 AED'000 (Restated)*	1 January 2020 AED'000 (Restated)*
ASSETS				
Bank balances and cash	9	**8,657,529**	6,270,731	6,795,737
Trade and unbilled receivables	10	**16,633,888**	11,246,564	10,316,058
Other assets, receivables, deposits and prepayments	11	**14,188,035**	16,029,719	15,498,526
Development properties	12	**37,740,746**	40,932,919	41,704,003
Assets classified as held for sale		**-**	-	669,290
Investments in securities	13	**3,273,128**	2,924,658	2,861,795
Loans to associates and joint ventures	14	**1,102,196**	1,096,631	980,719
Investments in associates and joint ventures	15	**5,074,649**	4,854,060	4,922,904
Property, plant and equipment	16	**10,625,210**	10,278,470	10,900,437
Investment properties	17	**22,742,900**	22,318,549	21,905,268
Intangible assets	18	**744,566**	755,472	766,671
Right-of-use assets	19	**1,066,681**	1,268,823	823,348
TOTAL ASSETS		**121,849,528**	117,976,596	118,144,756
LIABILITIES AND EQUITY				
LIABILITIES				
Trade and other payables	20	**18,572,086**	17,426,706	16,876,066
Advances from customers	21	**13,791,499**	11,689,423	12,202,962
Liabilities directly associated with assets classified as held for sale		**-**	-	159,669
Retentions payable	22	**1,497,121**	1,647,548	1,576,716
Deferred income tax payable	8	**1,035,934**	1,103,003	1,339,538
Interest-bearing loans and borrowings	23	**9,416,883**	14,034,948	15,785,537
Sukuk	24	**9,162,940**	7,325,855	7,316,364
Provision for employees' end-of-service benefits	25	**177,561**	167,211	176,929
TOTAL LIABILITIES		**53,654,024**	53,394,694	55,433,781
EQUITY				
Equity attributable to owners of the Company				
Share capital	26	**8,179,739**	7,159,739	7,159,739
Employees' performance share program		**(1,684)**	(1,684)	(1,684)
Reserves	27	**20,046,605**	17,540,597	17,553,915
Retained earnings		**33,468,571**	30,819,098	28,737,124
		61,693,231	55,517,750	53,449,094
Non-controlling interests		**6,502,273**	9,064,152	9,261,881
TOTAL EQUITY		**68,195,504**	64,581,902	62,710,975
TOTAL LIABILITIES AND EQUITY		**121,849,528**	117,976,596	118,144,756

To the best of our knowledge, the consolidated financial statements fairly present, in all material respects, consolidated financial position, results of operation and consolidated cash flows of the Group as of, and for, year ended 31 December 2021.

The consolidated financial statements were authorised for issue by the Board of Directors and signed on their behalf by:

Director

Director

* Certain amounts shown here do not correspond to 2020 consolidated financial statements and reflect adjustments made as detailed in Note 2.4

Consolidated Statement of Changes in Equity

For the year ended 31 December 2021

(US$ 1.00 = AED 3.673)

	Attributable to the owners of the Company						
	Share capital AED'000	Employees' performance share program AED'000	Reserves AED'000	Retained earnings AED'000	Total AED'000	Non-controlling interests AED'000	Total equity AED'000
Balance as at 31 December 2020	7,159,739	(1,684)	17,565,660	32,031,418	56,755,133	9,161,262	65,916,395
Effect of changes due to restatements (note 2.4)	-	-	(25,063)	(1,212,320)	(1,237,383)	(97,110)	(1,334,493)
Balance as at 1 January 2021 (Restated)*	7,159,739	(1,684)	17,540,597	30,819,098	55,517,750	9,064,152	64,581,902
Total comprehensive income for the year							
Net profit for the year	-	-	-	3,800,110	3,800,110	1,916,469	5,716,579
Other comprehensive income for the year	-	-	28,141	17,374	45,515	(13,348)	32,167
Total comprehensive income for the year	**-**	**-**	**28,141**	**3,817,484**	**3,845,625**	**1,903,121**	**5,748,746**
Directors' bonus (note 32)	-	-	-	(9,329)	(9,329)	-	(9,329)
Dividend paid to shareholders (note 31)	-	-	-	(715,974)	(715,974)	-	(715,974)
Dividend and directors' bonus of subsidiaries	-	-	-	(6,864)	(6,864)	(1,314,461)	(1,321,325)
Transfer to reserves (note 27)	-	-	380,011	(380,011)	-	-	-
Acquisition of non-controlling interest (note 2.1, 26 and 27)	1,020,000	-	2,097,856	-	3,117,856	(3,150,539)	(32,683)
Other movement	-	-	-	(55,833)	(55,833)	-	(55,833)
Balance as at 31 December 2021	**8,179,739**	**(1,684)**	**20,046,605**	**33,468,571**	**61,693,231**	**6,502,273**	**68,195,504**
Balance as at 31 December 2019	7,159,739	(1,684)	17,562,729	29,441,645	54,162,429	9,286,994	63,449,423
Effect of changes due to restatements (note 2.4)	-	-	(8,814)	(704,521)	(713,335)	(25,113)	(738,448)
Balance at 1 January 2020 (Restated)*	7,159,739	(1,684)	17,553,915	28,737,124	53,449,094	9,261,881	62,710,975
Total comprehensive income for the year							
Net profit for the year (Restated)	-	-	-	2,109,200	2,109,200	697,141	2,806,341
Other comprehensive income for the year (Restated)	-	-	(64,635)	-	(64,635)	(27,608)	(92,243)
Total comprehensive income for the year	-	-	(64,635)	2,109,200	2,044,565	669,533	2,714,098
Directors' bonus (note 32)	-	-	-	(7,350)	(7,350)	-	(7,350)
Dividend and directors' bonus of subsidiaries	-	-	-	(7,771)	(7,771)	(906,679)	(914,450)
Transfer to reserves (note 27)	-	-	261,700	(261,700)	-	-	-
Acquisition of non-controlling interest (note 4(a))	-	-	(1,031)	(98,401)	(99,432)	88,497	(10,935)
Acquisition of additional stake in a subsidiary (note 4(b))	-	-	(209,352)	347,996	138,644	(138,644)	-
Contribution made during the year (note 16)	-	-	-	-	-	89,564	89,564
Balance as at 31 December 2020 (Restated)	7,159,739	(1,684)	17,540,597	30,819,098	55,517,750	9,064,152	64,581,902

* Certain amounts shown here do not correspond to 2020 consolidated financial statements and reflect adjustments made as detailed in Note 2.4

Consolidated Statement of Cash Flows

For the year ended 31 December 2021

	Notes	2021 AED'000 (US$ 1.00 = AED 3.673)	2020 AED'000 (Restated)*
Cash flows from operating activities			
Profit before tax		**6,123,743**	2,613,843
Adjustments for:			
Share of results of associates and joint ventures	15	**(314,567)**	581,736
Depreciation	16,17,19	**1,408,680**	1,432,340
Amortisation of intangible assets	18	**10,906**	11,199
Provision for end-of-service benefits, net		**10,350**	(8,976)
Loss / (gain) on disposal of property, plant and equipment		**642**	(50,219)
Gain on disposal of assets classified as held for sale		**-**	(2,252,238)
(Gain) / loss on disposal of investment properties		**(90,292)**	202
Finance costs	7(b)	**1,295,102**	1,095,717
Finance income	7(a)	**(430,057)**	(484,630)
Provision for doubtful receivables and advances	6	**962,292**	381,886
Provision for impairment and write down	2.2	**667,663**	1,213,789
Cash from operations before working capital changes:		**9,644,462**	4,534,649
Working capital changes:			
Trade and unbilled receivables		**(5,586,244)**	(1,264,136)
Other assets, receivables, deposits and prepayments		**513,103**	(279,273)
Development properties		**4,389,438**	87,071
Advances from customers		**2,102,076**	(513,539)
Trade and other payables		**(322,041)**	(232,425)
Retentions payable		**(150,427)**	70,832
Assets and liabilities held for sale, net		**-**	(247,253)
Income tax, net		**169,028**	(18,495)
Net cash flows from operating activities		**10,759,395**	2,137,431
Cash flows from investing activities			
Purchase of securities and deposits	13	**(3,793,556)**	(7,702,940)
Proceeds from disposal of securities		**3,498,323**	7,643,970
Finance income received		**426,177**	488,884
Dividends received from associates and joint ventures	15	**94,311**	85,322
Additional investments in and loans to associates and joint ventures		**(65,039)**	(122,449)
Advance against investments		**(199,413)**	(316,527)
Amounts incurred on investment properties	17	**(1,157,185)**	(1,407,599)
Proceeds from disposal of investment properties		**97,638**	-
Proceeds from sale of assets held for sale		**-**	3,229,947
Amounts incurred on property, plant and equipment		**(1,311,727)**	(748,540)
Proceeds from disposal of property, plant and equipment		**19,565**	93,779
Deposits maturing after three months (including deposits under lien)	9	**(395,516)**	(247,080)
Net cash flows (used in) / from investing activities		**(2,786,422)**	996,767

	Notes	2021 AED'000 (US$ 1.00 = AED 3.673)	2020 AED'000 (Restated)*
Cash flows from financing activities			
Proceeds from interest-bearing loans and borrowings	23	**5,505,513**	7,466,349
Repayment of interest-bearing loans and borrowings	23	**(10,303,875)**	(7,846,325)
Dividends paid (including dividends of subsidiaries paid to non-controlling interests)		**(2,028,974)**	(905,000)
Finance costs paid		**(988,927)**	(1,020,477)
Directors' bonus paid (including Directors' bonus of subsidiaries)		**(17,654)**	(16,800)
Proceeds from issuance of Sukuk	24	**1,836,500**	-
Payment of lease liabilities	19	**(153,688)**	(210,704)
Net cash flows used in financing activities		**(6,151,105)**	(2,532,957)
Increase in cash and cash equivalents		**1,821,868**	601,241
Net foreign exchange difference		**(3,302)**	4,303
Cash and cash equivalents at the beginning of the year		**5,763,988**	5,158,444
Cash and cash equivalents at the end of the year	**9**	**7,582,554**	5,763,988

* Certain amounts shown here do not correspond to 2020 consolidated financial statements and reflect adjustments made as detailed in Note 2.4

Notes To The Consolidated Financial Statements

As at 31 December 2021

1 DOMICILE AND ACTIVITIES

Emaar Properties Public Joint Stock Company (the "Company") was established as a public joint stock company by Ministerial Decree number 66 in the year 1997. The Company was established on 23 June 1997 and commenced operations on 29 July 1997. The Company and its subsidiaries constitute the Group (the "Group"). The Company's registered office is at P.O. Box 9440, Dubai, United Arab Emirates ("UAE"). The shares of the Company are traded on the Dubai Financial Market.

The principal activities of the Group are property investment, development and development management, shopping malls and retail, hospitality, property management and utility services and investments in providers of financial services.

The consolidated financial statements were authorized for issue on 17 March 2022.

2.1 BASIS OF PREPARATION

The consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB") and applicable requirements of the UAE Federal Law No. (2) of 2015.

On 20 September 2021, the UAE Federal Decree Law No. (32) of 2021 was issued and came into effect on 2 January 2022 which repealed the UAE Federal Law No. (2) of 2015. The Company has 12 months from 2 January 2022 to comply with the provisions of the UAE Federal Decree Law No. (32) of 2021. The Company is currently assessing the impact of the new law and expects to be fully compliant on or before due date.

The consolidated financial statements have been prepared in United Arab Emirates Dirhams (AED), which is the Company's functional and presentation currency, and all values are rounded to the nearest thousand except where otherwise indicated. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The consolidated financial statements have been prepared on a historical cost basis except for derivative financial instruments, financial assets at fair value through other comprehensive income ("FVOCI") and profit or loss ("FVTPL") that have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Certain comparative amounts have been reclassified to conform to the presentation used in these consolidated financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and entities (including special purpose entities) controlled by the Group. Control is achieved where all the following criteria are met:

(a) the Group has power over an entity (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);

(b) the Group has exposure, or rights, to variable returns from its involvement with the entity; and

(c) the Group has the ability to use its power over the entity to affect the amount of the Company's returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Subsidiaries

Subsidiaries are fully consolidated from the date of acquisition or incorporation, being the date on which the Group obtains control and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Non-controlling interests (NCI) are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Notes to the Consolidated Financial Statements
As at 31 December 2021

Share of comprehensive income/loss within a subsidiary is attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group losses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences, recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in the consolidated income statement; and
- Reclassifies the Group's share of components previously recognised in other comprehensive income to the consolidated income statement or retained earnings, as appropriate.

Details of the Company's significant subsidiaries as at 31 December 2021 are as follows:

Subsidiary	Place of incorporation	Principal activities	Percentage of effective interest
Emaar Hospitality Group LLC	UAE	Providing hospitality services	100.00%
Emaar Properties Gayrimenkul Gelistirme Anonim Sirketi	Republic of Turkey ("Turkey")	Property investment and development	100.00%
Emaar Libadiye Gayrimenkul Gelistirme A.S.	Republic of Turkey ("Turkey")	Property investment and development, development of retail, shopping malls and hospitality assets	100.00%
Emaar Entertainment LLC	UAE	Leisure and entertainment activities	100.00%
Emaar Hotels & Resorts Group	UAE	Providing hospitality services	100.00%
Emaar Misr for Development SAE and its subsidiaries	Arab Republic of Egypt ("Egypt")	Property investment and development	88.74%
Dubai Hills Retail LLC	UAE	Property development and management of leasing	50.00%
Emaar Malls Management LLC and its subsidiaries (refer note below)	UAE	Retail development and management of shopping malls	100.00%
Emaar Development PJSC and its subsidiaries	UAE	Property development and development management	80.00%
Emaar Middle East LLC	Kingdom of Saudi Arabia ("KSA")	Property investment and development	100.00%
Emaar India Limited and its subsidiaries	India	Property investment and development	77.01%

During the current year, the respective shareholders of the Company and Emaar Malls PJSC ("Emaar Malls") in their respective general meetings held on 10 October 2021 have approved, by way of special resolution, merger of Emaar Malls with the Company through issuance and allotment of 0.51 new shares in the Company for every one share held by shareholders having non-controlling interests ("NCI") in Emaar Malls (the "Merger scheme"). On 22 November 2021, after the required approvals obtained from the authorities, the Company issued 1,020,000,000 new shares of the Company to the NCI shareholders of Emaar Malls, subsequently, the assets, rights, liabilities and business of Emaar Malls have been transferred to Emaar Malls Management LLC, a wholly owned subsidiary of the Company.

Notes to the Consolidated Financial Statements
As at 31 December 2021

Following table represents the impact in equity attributable to owners of the Company on merger of Emaar Malls with the Company:

	22 November 2021 AED'000
Carrying value of NCI acquired	3,150,539
Value of new shares issued	5,232,600
Decrease in equity attributable to owners of the Company	**2,082,061**

The aforesaid decrease of AED 2,082,061 thousands along with associated transaction costs is offset against premium on new shares issued, resulting in net increase in equity attributable to the owners of the Company of AED 3,117,856 thousands. Also refer notes 26, 27 and 28.

Associates and joint ventures

Associates are companies in which the Group has significant influence, but not control, over the financial and operating policies even if the shareholding is 50% or more. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities even if the shareholding is 50% or more.

The Group's investment in associates and joint ventures are accounted for using the equity method of accounting. Under the equity method of accounting, investments in associates and joint ventures are carried in the consolidated statement of financial position at cost, plus post-acquisition changes in the Group's share of net assets of the associate and joint venture companies, less any impairment in value.

The consolidated income statement reflects the Group's share of results of its associates and joint ventures. Unrealised gains resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Special purpose entities

Special purpose entities are entities that are created to accomplish a narrow and well-defined objective. The financial information of special purpose entities is included in the Group's consolidated financial statements where the substance of the relationship is that the Group controls the special purpose entity and hence, they are accounted for as subsidiaries.

2.2 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Estimates and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

Judgments

The key judgments and estimates and assumptions that have a significant impact on the consolidated financial statements of the Group are discussed below:

Timing of satisfaction of performance obligations

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue. The Group has assessed that based on the sale and purchase agreements entered into with customers and the provisions of relevant laws and regulations, where contracts are entered into to provide real estate assets to customer, the Group does not create an asset with an alternative use to the Group and usually has an enforceable right to payment for performance completed to date. In these circumstances the Group recognises revenue over time. Where this is not the case revenue is recognised at a point in time.

Determination of transaction prices

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgment the Group assess the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component in the contract and any non-cash consideration in the contract. In determining the impact of variable consideration, the Group uses the "most-likely amount" method in IFRS 15 Revenue from Contracts with Customers whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

Transfer of control in contracts with customers

In cases where the Group determines that performance obligations are satisfied at a point in time, revenue is recognised when control over the asset that is the subject of the contract is transferred to the customer. In the case of contracts to sell real estate assets this is generally when the consideration for the unit has been substantially received and there are no impediments in the handing over of the unit to the customer.

Transfer of real estate assets from property, plant and equipment to development properties

The Group sells real estate assets in its ordinary course of business. When the real estate assets which were previously classified as property, plant and equipment are identified for sale in the ordinary course of business, then the assets are transferred to development properties at their carrying value at the date of identification. Sale proceeds from such assets are recognised as revenue in accordance with IFRS 15.

Revenue recognition for turnover rent

The Group recognises income from turnover rent on the basis of audited turnover reports submitted by the tenants. In the absence of audited reports, management makes its own assessment about the tenants achieving or exceeding the stipulated turnover in the lease contracts based on their historical performance.

Classification of investment properties

The Group determines whether a property qualifies as investment property in accordance with IAS 40 Investment Property. In making its judgment, the Group considers whether the property generates cash flows largely independently of the other assets held by the Group. The Group has determined that hotels and serviced apartment buildings owned by the Group are to be classified as part of property, plant and equipment rather than investment properties since the Group also operates these assets.

Operating lease commitments- Group as lessor

The Group has entered into commercial and retail property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

Classification of investments

Management designates at the time of acquisition of securities whether these should be classified as at fair value or amortised cost. In judging whether investments in securities are classified as at fair value or amortised cost, management has considered the detailed criteria for determination of such classification as set out in IFRS 9 *Financial Instruments.*

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew.

Valuation of investment properties

The Group hires the services of third party professionally qualified valuers to obtain estimates of the market value of investment properties using recognised valuation techniques for the purposes of their impairment review and disclosures in the consolidated financial statements.

Consolidation of subsidiaries

The Group has evaluated all the investee entities including special purpose entities to determine whether it controls the investee as per the criteria laid out by IFRS 10: Consolidated Financial Statements. The Group has evaluated, amongst other things, its ownership interest, the contractual arrangements in place and its ability and the extent of its involvement with the relevant activities of the investee entities to determine whether it controls the investee.

Estimations and assumptions

Impairment of trade, unbilled receivables and other receivables

An estimate of the collectible amount of trade, unbilled and other receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied based on expected credit losses on such receivables.

Useful lives of property, plant and equipment, investment properties and intangible assets

The Group's management determines the estimated useful lives of its property, plant and equipment, investment properties and intangible assets for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The

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management periodically reviews estimated useful lives and the depreciation / amortisation method to ensure that the method and period of depreciation / amortisation are consistent with the expected pattern of economic benefits from these assets.

Measurement of progress when revenue is recognised over time
The Group has elected to apply the input method to measure the progress of performance obligations where revenue is recognised over time. The Group considers that the use of the input method which requires revenue recognition on the basis of the Group's efforts to the satisfaction of the performance obligation provides the best reference of revenue actually earned. In applying the input method, the Group estimates the cost to complete the projects in order to determine the amount of revenue to be recognised.

Cost to complete the projects
The Group estimates the cost to complete the projects in order to determine the cost attributable to revenue being recognised. 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.

Taxes
The Group is subject to income and capital gains taxes in certain jurisdictions. Significant judgment is required to determine the total provision for current and deferred taxes. The Group established provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provision is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretations may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the Group companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Impairment of non-financial assets
The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

Development properties are stated at the lower of cost and estimated net realisable value. The cost of work-in-progress comprises construction costs and other related direct costs. Net realisable value is the estimated selling price in the ordinary course of business, less cost of completion and selling expenses.

During the current year, on account of significant uncertainty over recoverability of the Group's investment in certain non-financial assets, management has recorded a provision for impairment on property, plant and equipment and right-of-use assets of AED 191 million (refer note 16 and 19). The estimate of value in use for the recoverable amount was determined using a pre-tax discount rate of 7.5% to 10% and a terminal value growth rate of 7.5%. Further, during the year, the Group has written down development properties of AED 477 million based on its expected realisable value (refer note 5 and 12).

Fair value measurement of financial instruments
When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Impact of Covid-19
In January 2020, the World Health Organization ("WHO") announced a global health emergency because of coronavirus (the "COVID-19 Outbreak"). During March 2020, the WHO classified COVID-19 Outbreak as a pandemic based on the rapid increase in exposure and infections across the world. The pandemic nature of this virus had resulted in global travel restrictions and lockdown in most countries of the world impacting jurisdictions and segments in which the Group operates.

In 2020, the COVID-19 Outbreak had impacted the Group across its segments (real estate, retail and hospitality) which was reflected in its financial results. As a result, the Group undertook various measures by rationalizing its operations, optimizing staff level and operating costs, rent relief and working closely with its suppliers and customers to minimize impact on revenue and cost.

As the lockdown started to ease and travel recommenced in the second half of 2020, the Group started to witness increased real estate sales, improved occupancy in hotels and increased footfall in its shopping malls compared to the initial time of pandemic in early part of 2020. During 2021, there has been a significant improvement in operating results of the Group across key segments and geographies of the Group as the impact of pandemic started to ease in geographies where the Group operates. The economic situation remains fluid globally and will be determined by factors that continue to evolve, such as availability of vaccines, resurgence of variants, success of support measures introduced by governments, the ability of businesses to manage their operations during these times and the effectiveness of public policies intended to contain the spread. The Group's management continues to evaluate current situation including pricing strategy and cost optimization initiatives.

The management's assessment of the impact of the COVID-19 outbreak is as follows:

a) **Recoverable amount of investment properties**
Recoverable amount of investment properties is inherently subjective due to the unique characteristics of each property, its location, expected yield, rental growth rate and discount rates reflecting continued uncertainty. Based on the impairment assessments carried out by the management in 2020, the recoverable amount of an investment property in one of the international segments with a carrying value of AED 3,986 million was deemed to be AED 3,582 million and accordingly an impairment charge of AED 404 million was been recognized in 2020. The estimate of value in use for the recoverable amount was determined using a pre-tax discount rate of 17% and a terminal value growth rate of 7%. Also refer note 17.

b) **Impairment assessment of plant and equipment**
The Group's hospitality segment was impacted due to temporary closure during the year ended 31 December 2020 and from low occupancy levels, resulting from steps taken by governments to contain the COVID-19 outbreak. The key area of assessment included estimates on the impact of future cash inflows due to reduced occupancy and the discount rates, reflecting continued uncertainty. Based on impairment assessments carried out by the management, the recoverable amount of an under development hotel in one of the international segments with an estimated cost to complete value of AED 681 million was AED 534 million and accordingly an impairment charge of AED 147 million was recognized in 2020. The estimate of value in use for the recoverable amount was determined using a pre-tax discount rate of 8% and a terminal value growth rate of 7%. Also refer note 16.

c) **Net realisable value assessment of development properties**
The Group's real estate businesses has continued to deliver on projects in key geographies, barring restrictions in some territories. Land held for sale and properties classified under development properties are stated at the lower of cost or net realizable value ("NRV"). NRV is assessed with reference to estimated sales prices, costs of completion and advances received, development plans and market conditions existing at the end of the reporting period. Based on internal assessments carried out by the management, write down of AED 633 million was recorded on certain assets during 2020. Also refer note 12.

d) **Rental income and incentives from the leasing and retail segment**
As the impact of the pandemic evolved, the government imposed strict measures to contain the virus that resulted in temporary lower footfall of the malls, specifically in UAE, during 2020 with footfall levels picking up during 2021 as restriction eases. As part of Group's commitment to extend support to its tenants during COVID-19 pandemic, the Group offered voluntary arrangements of rent reliefs to its tenants mainly in the previous year, which are accounted for in accordance with the requirements of IFRS 16 "Leases".

In addition, COVID-19 pandemic resulted in heightened uncertainty over collectability of trade receivables. The management considers that it is more appropriate to recognise lease income and the corresponding receivables to the extent that the lease income is considered to be collectible. This approach reflects the uncertainty related to collectability of lease payments and addresses the concern of recognizing income when collectability is uncertain.

e) **Funding and liquidity**
To ensure continued resilience, the Group continues to update its financing plans and liquidity optimization processes to meet its funding requirements for the foreseeable future. The Group profit before tax is 134% higher than 2020, when the operations were adversely impacted due to Covid 19. As at 31 December 2021, liquidity position with the Group's existing balances of cash and cash equivalents along with undrawn facilities will be sufficient to satisfy its working capital needs, capital expenditures and other liquidity requirements as they fall due in the foreseeable future. The Group continues to maintain sufficient headroom on its financial covenants and approximately two-third of its loans and borrowings, including Sukuk, are due after 31 December 2022.

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f) **External valuers report to assess impairment on non-financial assets and net realizable value of development properties**
As at 31 December 2021 valuations performed by certain external valuers continue to state a clause over material valuation uncertainty due to the market disruption caused by the COVID-19 pandemic, which is consistent with the guidance issued by RICS Valuation Global Standards. Consequently, as a result, less certainty and a higher degree of caution should be attached to valuations performed by external valuers. Albeit, this clause does not invalidate the valuation nor does it indicate that the valuation cannot be relied upon, but implies that there is substantially more uncertainty than under normal market conditions. The valuation of properties located in various geographies takes into account the level of pandemic, related economic impact, expected recovery including occupancy and earning levels of properties. As a result of the continued uncertainty, these assumptions may be revised significantly in the subsequent periods. Also refer notes 12, 16 and 17.

2.3 CHANGES IN THE ACCOUNTING POLICIES AND DISCLOSURES

(a) **New standards, interpretations and amendments adopted by the Group**
The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of new standards and interpretations effective as of 1 January 2021. Although these new standards and amendments apply for the first time in 2021, they do not have a material impact on the annual consolidated financial statements of the Group or the consolidated financial statements of the Group except as mentioned below. The nature and the impact of each new standard or amendment is described below:

- **Interest Rate Benchmark Reform Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16**

(b) **Standards, amendments and interpretations in issue but not effective**
The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards, if applicable, when they become effective.

- **Amendments to IAS 37 -** What is included in cost of fulfilling a contract for onerous contracts (Effective 1 January 2022)
- **Annual Improvements to IFRS Standards 2018 – 2020 -** Amendments to IFRS 1, IFRS 9, illustrative examples accompanying IFRS 16 and IAS 41 (effective 1 January 2022)
- **Property, Plant and Equipment, amendments to IAS 16 -** Amendments clarity treatment of proceeds before intended use (effective 1 January 2022)
- **Reference to the Conceptual Framework -** Amendments to IFRS 3 (effective 1 January 2022)
- **Definition of Accounting estimates, amendments to IAS 8 -** The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. (effective 1 January 2023)
- **IFRS 10 and IAS 28 -** Sale or Contribution of Assets between an investor and its Associate or Joint Venture (the effective date has been deferred indefinitely, but an entity that early adopts the amendments must apply them prospectively)
- **Amendments to IAS 1 and IFRS Practice Statement -** Disclosure of Accounting Policies
- **Amendments to IAS 12 -** Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Group does not expect the adoption of the above new standards, amendments and interpretations to have a material impact on the future consolidated financial statements of the Group.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Revenue from contracts with customers

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

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the consolidated income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

Lease to buy scheme
Sales under the lease to buy scheme are accounted for as follows:

- Rental income during the period of lease is accounted for on a straight-line basis until such time the lessee exercises its option to purchase;
- When the lessee exercises its option to purchase, a sale is recognised in accordance with the revenue recognition policy for sale of property as stated above; and
- When recognising the sale, revenue is the amount payable by the lessee at the time of exercising the option to acquire the property.

Revenue recognition for turnover rent
Income from turnover rent is recognised based on the audited turnover reports submitted by the tenants. In the absence of audited reports, management makes its own assessment about the tenants achieving or exceeding the stipulated turnover in the lease contracts based on their historical performance.

Development services
Revenue from rendering of development management services is recognised when the outcome of the transaction can be estimated reliably, by reference to the stage of completion of the development obligation at the reporting date. Where the outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Rental income from lease of investment property
Rental income arising from operating leases on investment properties is recognised, net of discount, in accordance with the terms of lease contracts over the lease term on a straight-line basis, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset.

Customer loyalty programme
The Group operates a loyalty points programme, 'U by Emaar', which allows customers to accumulate points when they spend in any of the Group's hotel or leisure units. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer. When estimating the stand-alone

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selling price of the loyalty points, the Group considers the likelihood that the customer will redeem the points. The Group updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue.

Changes in timing of revenue recognition and reclassification
During the year, based on a review of past legal precedents supported by legal opinions from external legal counsel undertaken by Emaar Misr for Development SAE, a subsidiary of the Company in Egypt (Group's international real-estate segment), management has re-evaluated its judgement to meet the IFRS 15 criteria for recognising revenue for property sale in Egypt over time. As a result, management determined that control over units sold in Egypt are being transferred to customers at a point in time i.e. when units are completed and accordingly revenue should be recognised at that point in time.

Based on the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, management has considered the effect of this change retrospectively and restated the comparative balances. Further, certain comparative amounts have also been reclassified to conform to the presentation used in these consolidated financial statement. The consolidated financial statements have been restated as summarised below:

At 31 December 2020

Consolidated Statement of Financial Position

	As previously reported earlier AED'000	Adjustments made AED'000	As restated now AED'000
Assets			
Trade and unbilled receivables	12,165,577	(919,013)	11,246,564
Other assets, receivables, deposits and prepayments	15,969,870	59,849	16,029,719
Development properties	38,532,763	2,400,156	40,932,919
Total assets	116,435,604	1,540,992	117,976,596
Liabilities			
Trade and other payables	17,607,042	(180,336)	17,426,706
Advances from customers	8,592,009	3,097,414	11,689,423
Deferred income tax payable	1,144,596	(41,593)	1,103,003
Total liabilities	50,519,209	2,875,485	53,394,694
Equity			
Reserves	17,565,660	(25,063)	17,540,597
Retained earnings	32,031,418	(1,212,320)	30,819,098
Non-controlling interests	9,161,262	(97,110)	9,064,152
Total equity	65,916,395	(1,334,493)	64,581,902

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At 1 January 2020

Consolidated Statement of Financial Position

	As previously reported earlier AED'000	Adjustments made AED'000	As restated now AED'000
Assets			
Trade and unbilled receivables	10,465,030	(148,972)	10,316,058
Other assets, receivables, deposits and prepayments	15,459,265	39,261	15,498,526
Development properties	40,319,940	1,384,063	41,704,003
Total assets	116,870,404	1,274,352	118,144,756
Liabilities			
Trade and other payables	16,919,196	(43,130)	16,876,066
Advances from customers	10,147,032	2,055,930	12,202,962
Total liabilities	53,420,981	2,012,800	55,433,781
Equity			
Reserves	17,562,729	(8,814)	17,553,915
Retained earnings	29,441,645	(704,521)	28,737,124
Non-controlling interests	9,286,994	(25,113)	9,261,881
Total equity	63,449,423	(738,448)	62,710,975

Consolidated income statement and consolidated statement of comprehensive income

	As previously reported earlier AED'000	Adjustments made AED'000	As restated now AED'000
For the year ended 31 December 2020:			
Revenue	19,710,456	(1,750,978)	17,959,478
Cost of revenue	(12,710,163)	1,283,351	(11,426,812)
Selling, general and administrative expenses	(3,327,644)	(201,614)	(3,529,258)
Other income	2,457,185	(9,794)	2,447,391
Income tax credit	91,198	101,300	192,498
Profit for the year	3,384,076	(577,735)	2,806,341
ATTRIBUTABLE TO:			
Owners of the Company	2,616,999	(507,799)	2,109,200
Non-controlling interests	767,077	(69,936)	697,141
Decrease in foreign currency translation reserve	(24,090)	(18,310)	(42,400)
Earnings per share attributable to the owners of the Company:			
- basic and diluted earnings per share (AED)	0.37	(0.08)	0.29

There is no material impact on the Group's total operating, investing or financing cash flows for the year ended 31 December 2020.

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Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets or investment property , which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held for sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated and any equity-accounted investee is no longer equity accounted.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

All other borrowing costs are recognised in the consolidated income statement in the year in which they are incurred.

Interest income

Interest income is recognised as the interest accrues using the effective interest method, under which the rate used exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

Income tax

Taxation is provided in accordance with the relevant fiscal regulations of the countries in which the Group operates.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year, using tax rates enacted or substantially enacted as at the reporting date, and any adjustments to the tax receivable/payable in respect of prior years.

Income tax relating to items recognised directly in other comprehensive income or equity is recognised directly in other comprehensive income or equity and not in the consolidated income statement.

Deferred income tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted as at the reporting date.

Deferred income tax assets are recognised for all deductible temporary differences and carry-forward of unused tax assets and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or liability is settled, based on tax rates that have been enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Property, plant and equipment

Property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful lives as follows:

Leasehold improvements	2 - 15 years
Sales centres (included in land and buildings)	1 - 5 years
Buildings	10 - 45 years
Computers and office equipment	2 - 5 years
Plant, machinery and heavy equipment	3 - 20 years
Motor vehicles	3 - 5 years
Furniture and fixtures	2 - 10 years
Leisure, entertainment and other assets	2 - 25 years

No depreciation is charged on land and capital work-in-progress. The useful lives, depreciation method and residual values are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the consolidated income statement as the expense is incurred.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of property, plant and equipment may not be recoverable. Whenever the carrying amount of property, plant and equipment exceeds their recoverable amount, an impairment loss is recognised in the consolidated income statement. The recoverable amount is the higher of fair value less costs to sell of property, plant and equipment and the value in use. The fair value less costs to sell is the amount obtainable from the sale of property, plant and equipment in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of property, plant and equipment and from its disposal at the end of its useful life.

Reversal of impairment losses other than goodwill impairment recognised in the prior years are recorded when there is an indication that the impairment losses recognised for the property, plant and equipment no longer exist or have reduced.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term up to 35 years. Right-of-use assets are subject to impairment.

Investment properties

Properties held for rental or capital appreciation purposes are classified as investment properties. Investment properties are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation is charged on a straight-line basis over the estimated useful lives as follows:

Buildings	10 - 45 years
Furniture, fixtures and others	4 - 10 years
Plant and equipment	3 - 10 years

No depreciation is charged on land and capital work-in-progress.

The useful lives, depreciation method and residual value method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Properties are transferred from investment properties to development properties when and only when, there is a change in use, evidenced by commencement of development with a view to sell. Such transfers are made at the carrying value of the properties at the date of transfer.

The Group determines at each reporting date whether there is any objective evidence that the investment properties are impaired. Whenever the carrying amount of an investment property exceeds their recoverable amount, an impairment loss is recognised in the consolidated income statement. The recoverable amount is the higher of investment

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property's fair value less cost to sell and the value in use.

Reversal of impairment losses recognised in the prior years is recorded when there is an indication that the impairment losses recognised for the investment property no longer exist or have reduced.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated income statement.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Amortisation is charged on a straight-line basis over the estimated useful lives as follows:

Customers relationship	5 years
Software	3 years

Goodwill and Brand is not amortised.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

Development properties

Properties acquired, constructed or in the course of construction for sale in the ordinary course of business are classified as development properties and are stated at the lower of cost or net realisable value. Cost includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sale.

The cost of development properties recognised in the consolidated income statement on sale is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

The management reviews the carrying values of the development properties on an annual basis.

Inventories

Inventories represent consumables and other goods relating to hospitality and retail business segments of the Group. Inventories are stated at the lower of cost and net realisable value with due allowance for any obsolete or slow-moving items.

Costs are those expenses incurred in bringing each product to its present location and condition on a weighted average cost basis. Net realisable value is based on estimated selling price less any further costs expected to be incurred on disposal or completion.

Investment in associates and joint ventures

The consolidated income statement reflects the Group's share of the results of operations of its associates and joint ventures after tax and non-controlling in the subsidiaries of the associate. Where there has been a change recognised directly in the other comprehensive income or equity of an associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of comprehensive income or the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the interest in the associate or joint venture.

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The financial statement of the associates and joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associates or joint ventures. At each reporting date, the Group determines whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture, and its carrying value and recognises the impairment losses in the consolidated income statement.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any differences between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated income statement. When the remaining investment in joint venture constitutes significant influence, it is accounted for as an investment in associate.

Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk, including foreign exchange forward contracts. Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in the consolidated income statement immediately, unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the consolidated income statement depends on the nature of the hedge relationship. The Group designates derivatives as hedges of interest rate risk and foreign currency risk of firm commitments (cash flow hedges).

A derivative with a positive fair value is recognised as a financial asset; a derivative with a negative fair value is recognised as a financial liability.

Hedge accounting

The Group designates certain hedging instruments as either fair value hedges or cash flow hedges. Hedges of interest rate risk and foreign exchange risk on firm commitments are accounted for as cash flow hedges. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument;
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship;
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item. However, that designation shall not reflect an imbalance between the weightings of the hedged item and the hedging instrument that would create hedge ineffectiveness (irrespective of whether recognised or not) that could result in an accounting outcome that would be inconsistent with the purpose of hedge accounting.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for and further described in the below sections.

Fair value hedges

The change in the fair value of a hedging instrument is recognised in the consolidated income statement as other expense. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the consolidated income statement as other expense.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the effective interest rate (EIR) method. The EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in consolidated income statement.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair

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value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in consolidated income statement.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in consolidated statement of comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated income statement. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The ineffective portion relating to foreign currency contracts is recognised as other expense and the ineffective portion relating to commodity contracts is recognised in other operating income or expenses.

The Group designates only the spot element of forward contracts as a hedging instrument. The forward element is recognised in consolidated statement of comprehensive income and accumulated in a separate component of equity under cost of hedging reserve.

The amounts accumulated in consolidated statement of comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in other comprehensive income for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in consolidated statement of comprehensive income is reclassified to consolidated income statement as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in consolidated statement of comprehensive income must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to consolidated income statement as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

Hedge of net investments in foreign operations

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the consolidated income statement. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the consolidated income statement.

Financial assets

All financial assets are recognised and derecognised on trade date when the purchase or sale of a financial asset is made under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at cost, plus transaction costs, except for those financial assets classified as at fair value through other comprehensive income or profit or loss, which are initially measured at fair value. Trade receivables are initially recognised when they are originated. Trade and unbilled receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the close of business on the reporting date. If quoted market prices are not available, reference can also be made to broker or dealer price quotations.

The fair value of floating rate and overnight deposits with credit institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest-bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the reporting date.

Classification of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

For the purposes of classifying financial assets, an instrument is an 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer (under IAS 32: Financial Instruments: Presentation) except for certain non-derivative puttable instruments presented as equity by the issuer. All other non-derivative financial assets are 'debt instruments'.

Equity investments

All financial assets that are equity investments are measured at fair value either through other comprehensive income or through profit or loss. This is an irrevocable choice that the Group has made on adoption of IFRS 9 or will make on subsequent acquisition of equity investments unless the equity investments are held for trading, in which case, they must be measured at fair value through profit or loss. Gain or loss on disposal of equity investments is not recycled. Dividend income for all equity investments is recorded through the consolidated income statement when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through P&L and OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments as financial assets measured at fair value through other comprehensive income.

Debt instruments

Debt instruments are also measured at fair value through other comprehensive income (OCI) unless they are classified at amortised cost. They are classified at amortised cost only if:

- the asset is held within a business model whose objective is to hold the asset to collect the contractual cash flows; and
- the contractual terms of the debt instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances and short-term deposits with an original maturity of three months or less, net of outstanding facilities payable on demand.

Trade and unbilled receivables

Trade receivables are stated at original invoice amount (unless there is a significant financing component) less expected credit losses. When a trade receivable is uncollectible, it is written off against provision for doubtful debts. Subsequent recoveries of amounts previously written off are credited to the consolidated income statement.

Services rendered but not billed at the reporting date are accrued as per the terms of the agreements as unbilled receivables.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange component forms part of its fair value gain or loss. For financial assets classified as at fair value through profit or loss, the foreign exchange component is recognised in the consolidated income statement. For financial assets designated at fair value through other comprehensive income any foreign exchange component is recognised in the consolidated income statement and other comprehensive income. For foreign currency denominated debt instruments classified at amortised cost, the foreign exchange gains and losses are determined based on the amortised cost of the asset and are recognised in the 'other gains and losses' line item in the consolidated income statement.

Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement, and
- The Group has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset, or
  - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original

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carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECL") for all debt instruments and contract assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

For trade and unbilled receivables and other receivables, the Group applies a simplified approach in calculating ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected credit losses are recognised in the consolidated income statement.

The Group consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that a non-financial asset (other than inventories, contract assets and deferred tax assets) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded entities or other available fair value indicators.

Impairment losses are recognised in the consolidated income statement in those expense categories consistent with the function of the impaired asset. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated income statement.

Financial liabilities and equity instruments issued by the Group

Debt and equity instruments are classified as either financial liabilities or as equity instruments in accordance with the substance of the contractual agreements. Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivative instrument as appropriate. The Group determines the classification of its financial liabilities at the initial recognition.

Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate. The average rate applied is 4% to 8%.

Loans and borrowings

Term loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the consolidated income statement when the liabilities are derecognised as well as through the amortisation process.

Sukuk

The sukuk are stated at amortised cost using the effective profit rate method. Profit attributable to the sukuk is calculated by applying the prevailing market profit rate, at the time of issue, for similar sukuk instruments and any difference with the profit distributed is added to the carrying amount of the sukuk. Any directly attributable transaction costs are allocated to the liability component.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in consolidated income statement.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed (except if related to issue of debt or equity).

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at fair value on the date of acquisition. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through the consolidated income statement.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IFRS 9: Financial Instruments in the consolidated statement of comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of net identifiable tangible and intangible assets acquired and liabilities assumed. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Goodwill is tested for impairment annually as at the reporting date and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit to which the goodwill relates. When the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the consolidated income statement. Impairment losses relating to goodwill cannot be reversed in future periods.

End-of-service benefits

The Group provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

With respect to its eligible UAE and GCC national employees, the Group makes contributions to a pension fund established by the UAE General Pension and Social Security Authority calculated as a percentage of the employees' salaries. The Group's obligations are limited to these contributions, which are expensed when due.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Share-based payment transactions

Employees (including senior executives) of the Group also receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity settled transactions"). The cost of equity settled transactions with employees is measured by reference to the fair value at the date at which the awards are granted. The cost of equity settled transactions with employees is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled ending on the date on which the employees become fully entitled to the award ("vesting date"). The cumulative expense recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated income statement for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Under the Company's policy, awards, which represent the right to purchase the Company's ordinary shares at par, are allocated to eligible employees (including executive directors) of the Company.

Foreign currency translations

The consolidated financial statements are presented in AED which is the functional currency of the Company. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are recorded in the functional currency at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. All differences are taken to the consolidated income statement. Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into AED at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into AED at the exchange rates at the dates of the transactions. Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

Fair value measurement

The Group measures financial instruments, such as investment in securities and hedges, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For investments traded in an active market, fair value is determined by reference to quoted market bid prices.

The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates for items with similar terms and risk characteristics.

For unquoted equity investments, fair value is determined by reference to the market value of a similar investment or is based on the expected discounted cash flows.

The fair value of forward foreign exchange contracts is calculated by reference to current forward exchange rates with the same maturity.

Fair value of interest rate swap contract is determined by reference to market value for similar instruments.

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The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Fair value measurements are those derived from quoted prices in an active market (that are unadjusted) for identical assets or liabilities.
- Level 2 – Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3 SEGMENT INFORMATION

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

Business segments

For management purposes, the Group is organised into three major segments, namely, real estate (develop and sell condominiums, villas, commercial units and plots of land), leasing, retail and related activities (develop, lease and manage malls, retail, commercial and residential spaces) and hospitality (develop, own and/or manage hotels, serviced apartments and leisure activities). Other segments include businesses that individually do not meet the criteria for a reportable segment as per IFRS 8 Operating Segments. These businesses are property management and utility services and investments in providers of financial services.

Revenue from sources other than property sales, leasing, retail and related activities and hospitality are included in other operating income.

Geographic segments

The Group is currently operating in number of countries outside the UAE and is engaged in development of several projects which have significant impact on the Group results. The domestic segment includes business activities and operations in the UAE and the international segment includes business activities and operations outside the UAE (including export sales).

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Business segments

The following tables include revenue, profit and certain assets and liabilities information regarding business segments for the years ended 31 December 2021 and 2020.

	Real estate AED'000	**Leasing, retail and related activities AED'000**	**Hospitality AED'000**	**Others AED'000**	**Total AED'000**
2021:					
Revenue					
Revenue from external customers					
- Over a period of time	**14,462,040**	**3,702,405**	**608,862**	**-**	**18,773,307**
- Point in time	**6,503,772**	**2,112,822**	**879,744**	**-**	**9,496,338**
	20,965,812	**5,815,227**	**1,488,606**	**-**	**28,269,645**
Results					
Profit before tax before impairment / write down, (a) and (b)	**5,784,663**	**2,357,207**	**361,837**	**722,009**	**9,225,716**
Impairment / write down	**(853,505)**	**(114,158)**	**-**	**-**	**(967,663)**
(a) Unallocated selling, general and administrative expenses					**(1,540,266)**
(b) Unallocated finance cost, net					**(594,044)**
Profit before tax for the year					**6,123,743**
Assets and liabilities:					
Segment assets	**85,884,965**	**26,234,315**	**6,403,496**	**3,326,752**	**121,849,528**
Segment liabilities	**45,351,022**	**5,974,464**	**1,912,632**	**415,906**	**53,654,024**
Other segment information					
Capital expenditure (property, plant and equipment, and investment properties)	**764,166**	**1,359,540**	**206,262**	**138,944**	**2,468,912**
Depreciation (property, plant and equipment, investment properties and right-of-use assets)	**319,193**	**794,964**	**238,095**	**56,428**	**1,408,680**

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	Real estate* AED'000 (Restated)	Leasing, retail and related activities AED'000	Hospitality AED'000	Others AED'000	Total AED'000
2020:					
Revenue					
Revenue from external customers					
- Over a period of time	9,741,530	2,381,253	288,090	-	12,410,873
- Point in time	3,371,522	1,676,274	500,809	-	5,548,605
	13,113,052	4,057,527	788,899	-	17,959,478
Results					
Profit before tax before impairment / write down, (a) and (b)	1,794,185	1,307,482	47,655	1,943,591	5,092,913
Impairment / write down	(662,839)	(404,030)	(146,920)	-	(1,213,789)
(a) Unallocated selling, general and administrative expenses					(1,020,201)
(b) Unallocated finance cost, net					(245,080)
Profit before tax for the year					2,613,843
Assets and liabilities:					
Segment assets	81,595,788	26,210,679	7,495,019	2,675,110	117,976,596
Segment liabilities	45,192,255	5,875,342	2,033,008	294,089	53,394,694
Other segment information					
Capital expenditure (property, plant and equipment, and investment properties)	231,520	1,413,593	431,129	169,461	2,245,703
Depreciation (property, plant and equipment, investment properties and right-of-use assets)	262,823	781,783	310,628	77,106	1,432,340

* Certain amounts shown here do not correspond to 2020 consolidated financial statements and reflect adjustments made as detailed in Note 2.4

Geographic segments

The following tables include revenue and certain asset information regarding geographic segments for the years ended 31 December 2021 and 2020.

	Domestic AED'000	International AED'000	Total AED'000
2021:			
Revenue			
Revenue from external customers			
- Over a period of time	**18,525,124**	**248,183**	**18,773,307**
- Point in time	**3,243,508**	**6,252,830**	**9,496,338**
	21,768,632	**6,501,013**	**28,269,645**
Assets			
Right-of-use assets	**709,782**	**356,899**	**1,066,681**
Investments in associates and joint ventures	**3,186,978**	**1,887,671**	**5,074,649**
Other segment assets	**82,511,257**	**33,196,941**	**115,708,198**
Total assets	**86,408,017**	**35,441,511**	**121,849,528**
Total liabilities	**36,313,356**	**17,340,668**	**53,654,024**
Other segment information			
Capital expenditure (property, plant and equipment and investment properties)	**1,542,442**	**926,470**	**2,468,912**

	Domestic AED'000	International* AED'000 (Restated)	Total AED'000
2020:			
Revenue			
Revenue from external customers			
- Over a period of time	12,141,922	268,951	12,410,873
- Point in time	1,541,278	4,007,327	5,548,605
	13,683,200	4,276,278	17,959,478
Assets			
Right-of-use assets	890,176	378,647	1,268,823
Investments in associates and joint ventures	2,598,982	2,255,078	4,854,060
Other segment assets	79,398,276	32,455,437	111,853,713
Total assets	82,887,434	35,089,162	117,976,596
Total liabilities	35,167,504	18,227,190	53,394,694
Other segment information			
Capital expenditure			
(property, plant and equipment and investment properties)	1,816,730	428,973	2,245,703

* Certain amounts shown here do not correspond to 2020 consolidated financial statements and reflect adjustments made as detailed in Note 2.4

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4 ASSETS HELD FOR SALE AND ACQUISITION OF ADDITIONAL STAKE

(a) Assets held for sales

(i) Emaar Giga Holding Limited

On 12 November 2017, the Group had signed a separation agreement with Giga Group Holding Ltd ("Giga") in respect of Emaar Karachi Limited, formerly known as Emaar Giga Holding Ltd ("EGHL"), a subsidiary formed to develop properties in Pakistan. Based on the separation agreement, Giga would exchange its shareholding in EGHL for certain land held by the Group in Karachi, Pakistan. During 2020, all the conditions precedent for completion of the transfer was fully satisfied and the transfer was affected. The assets and liabilities relating to the EGHL disposal group were previously classified as 'assets held for sale' and 'liabilities associated with assets held for sale'.

During 2020, the Group had acquired remaining equity shares held by Giga in EGHL. The net liabilities associated to the NCI as on the effective date was AED 88,497 thousands and accordingly the resultant impact of the transaction was an increase of AED 88,497 thousands in non-controlling interest and a corresponding decrease in equity attributable to the owners of the Company. Furthermore, as part of this transaction, net assets amounting to AED 23,244 thousands were transferred to the non-controlling shareholder, in return for a consideration of AED 12,309 thousands, resulting in a net loss of AED 10,935 thousand, directly recognised in the consolidated statement of changes in equity for the year ended 31 December 2020 as required under IFRS 10.

The major classes of assets and liabilities of the EGHL disposal group as at the effective date of transfer are as follows:

	29 November 2020 AED'000
Assets	
Development properties	94,188
Bank balances and cash	15,251
	109,439
Liabilities	
Trade and other payables	86,195
Net assets transferred	23,244

There was no significant income recognised in the consolidated income statement or consolidated statement of comprehensive income for the year with respect to this disposal group within the period of disposal.

(ii) Emaar Hospitality Group

During 2020, the Group had sold its interest in ASV Group Limited (ASV) for a consideration of AED 749,600 thousand (includes AED 15,100 thousand relating to working capital minus employee entitlements) and recorded a gain of AED 55,098 thousand (net of transaction cost), which was recognised as other income in the consolidated income statement of 2020.

The Group had also entered into a long-term hotel management agreement to manage the Hotel for an initial period of 20 years. Further, the Group has provided minimum performance guarantees for a specified period to owners of the hotel which it will operate under the hotel management contract.

The major classes of assets and liabilities of the ASV as at the effective date of transfer were as follows:

	31 December 2020 AED'000
Assets	
Property and equipment	640,640
Trade and unbilled receivable	3,667
Other assets, receivables, deposits and prepayments	45,166
Bank balances and cash	11,892
	701,365
Liabilities	
Employees' end of service benefits	742
Trade and other payables	44,883
	45,625

There was no significant income recognised in the consolidated income statement or consolidated statement of comprehensive income for the year with respect to this disposal group within the period of disposal.

(iii) Non-core assets

During 2020, the Group had entered into a Sale and Purchase Agreement ("SPA") with National Central Cooling Company PJSC (NCCC) to transfer its 80% ownership interest in Downtown DCP LLC. Based on the agreement, NCCC agreed to purchase the entity for a consideration of AED 2,480 million, subject to adjustments relating to working capital. Balance 20% of retained interest was recorded as investment in associates at AED 496 million at its fair value (including intangible assets on acquisition amounting to AED 349 million). The Group had recognised a gain of AED 2,197 million, as other income in the consolidated income statement of 2020.

The major classes of assets and liabilities of such disposal group as at the effective date were as follows:

	5 April 2020 AED'000
Assets	
Property, plant and equipment	553,043
Other assets, receivables, deposits and prepayments	216,984
	770,027
Liabilities	
Trade and other payables	757,090
Less: Inter Group payable	(720,693)
Total liabilities	36,397
Net assets directly associated with disposal group	733,630

There was no significant income recognised in the consolidated income statement or consolidated statement of comprehensive income during 2020 with respect to these assets within the period of disposal.

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(b) Acquisition of additional stake

(i) Emaar India Limited

During 2020, Emaar India Limited (Emaar India) had issued additional equity shares through rights issue which had resulted in an increase of ownership interest of the Group in Emaar India to 77.01%. This had resulted in a decrease in the NCI amounting to AED 138,644 thousands (net of foreign currency translation reserve of AED 209,352 thousands) and a corresponding increase of the equity attributable to the owners of the Company for 2020 in accordance with IFRS 10.

5 REVENUE AND COST OF REVENUE

	2021 AED'000	2020 AED'000 (Restated)
Revenue		
Revenue from real-estate		
Sale of residential units	**17,486,556**	11,570,516
Sale of commercial units, plots of land and others	**3,442,152**	1,542,536
Revenue from hospitality	**1,488,606**	788,899
Revenue from leased properties, retail and related income	**5,852,331**	4,057,527
	28,269,645	17,959,478
Cost of revenue		
Cost of revenue from real-estate		
Cost of residential units	**11,971,361**	7,866,853
Cost of commercial units, plots of land and others	**1,621,100**	1,040,220
Write down of development properties (note 2.2 and 12)	**476,994**	662,839
Cost of revenue from hospitality	**771,568**	507,150
Cost of revenue from leased properties, retail and related activities	**1,677,470**	1,349,750
	16,518,493	11,426,812

6 SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	2021 AED'000	2020 AED'000 (Restated)
Sales and marketing expenses	**1,639,933**	1,218,963
Provision for doubtful debts and advances	**662,292**	381,886
Payroll and related expenses	**525,963**	786,100
Provision for recoverable from NCI (note 11)	**300,000**	-
Property management expenses	**244,494**	312,032
Donations	**23,875**	120,799
Depreciation of right of use assets (note 19)	**126,233**	173,804
Other expenses	**549,262**	535,674
	4,072,052	3,529,258

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7(a) FINANCE INCOME

	2021 AED'000	2020 AED'000
Finance income from bank deposits and securities	**284,149**	421,960
Other finance income	**145,908**	62,670
	430,057	484,630

7(b) FINANCE COSTS

	2021 AED'000	2020 AED'000
Finance costs on borrowings	**720,533**	829,424
Other finance costs (i)	**574,569**	266,293
	1,295,102	1,095,717

(i) During the year, the Company has recorded finance cost on discount of long-term recoverable / unwinding of long-term payable amounting to AED 443,017 thousands (2020: AED 136,442 thousands).

8 INCOME TAX

	2021 AED'000	2020 AED'000 (Restated)
Consolidated income statement		
Current income tax expenses	**(305,469)**	(133,082)
Deferred income tax (expenses) / credit	**(101,695)**	325,580
	(407,164)	192,498
Consolidated statement of financial position		
Income tax payable, balance at the beginning of the year	**106,511**	125,006
Charge for the year, net	**305,469**	133,082
Paid during the year / other adjustment	**(136,441)**	(151,577)
Income tax payable, balance at the end of the year (note 20)	**275,539**	106,511
Net deferred tax payable, balance at the beginning of the year	**789,658**	1,150,740
Charged / (credit) for the year	**101,695**	(325,582)
Other movements, net	**(21,560)**	(35,500)
Net deferred tax payable, balance at the end of the year	**869,793**	789,658
Disclosed as :		
Deferred tax payable	**1,035,934**	1,103,003
Deferred tax assets (note 11)	**(166,141)**	(313,345)
Net deferred tax payable	**869,793**	789,658

Deferred tax assets and payable mainly comprises of temporary timing differences.

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Income tax expense relates to the tax payable on the results of the subsidiaries, as adjusted in accordance with the taxation laws and regulations of the countries in which the subsidiaries operate. The relationship between the tax expenses and the accounting profit can be explained as follows:

	2021 AED'000	2020 AED'000 (Restated)
Profit before tax	**6,123,742**	2,613,843
Profit not subject to tax, net	**(5,747,171)**	(3,104,928)
Accounting profit subject to income tax, net	**376,571**	(491,085)
Accounting profit subject to income tax (excluding impairment / write down)	**886,953**	722,704
Current income tax expense	**(305,469)**	(133,082)
Effective tax rate as percentage of accounting profit	**34.44%**	18.41%

The income tax charge is applicable on the Group's operations in Turkey, Egypt, Morocco, India, Pakistan, Lebanon, Kingdom of Saudi Arabia, the United Kingdom, the United States of America, Italy and Syria.

9 BANK BALANCES AND CASH

	2021 AED'000	2020 AED'000
Cash in hand	**7,517**	18,047
Current and call bank deposit accounts	**7,482,154**	4,868,784
Fixed deposits with original maturities of three months or less	**316,404**	927,962
Total	**7,806,075**	5,814,793
Deposits under lien (note 29)	**157,285**	153,321
Fixed deposits with original maturities of three months or more, and restricted cash	**694,169**	302,617
	8,657,529	6,270,731
Bank balances and cash located:		
Within UAE	**7,089,436**	5,009,754
Outside UAE	**1,568,093**	1,260,977
	8,657,529	6,270,731
Bank balances and cash are denominated in the following currencies:		
United Arab Emirates Dirham (AED)	**7,089,436**	5,009,754
United States Dollar (USD)	**912,947**	751,344
Saudi Riyal (SAR)	**168,597**	127,830
Indian Rupee (INR)	**228,187**	178,369
Egyptian Pound (EGP)	**110,675**	77,519
Other currencies	**147,687**	125,915
	8,657,529	6,270,731

As at 31 December 2021, cash and cash equivalent amount to AED 7,582,554 thousands (2020: AED 5,763,988 thousands) which is net of facilities obtained from various commercial banks and repayable on demand. Also refer note 23.

Cash at banks earn interest at fixed rates based on prevailing bank deposit rates. Short-term fixed deposits are made for varying periods between one day and three months, depending on the cash requirements of the Group, and earn interest at the respective short-term deposit rates.

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As at the reporting date, bank balances and cash include an amount of AED 5,971,597 thousands (2020: AED 3,658,173 thousands) with banks representing advances received from customers against sale of development properties which are deposited into escrow accounts and also includes unclaimed dividends. These deposits/balances are not under lien.

10 TRADE AND UNBILLED RECEIVABLES

	2021 AED'000	2020 AED'000 (Restated)
Trade receivables		
Amounts receivables within 12 months, net	**1,429,230**	1,916,091
Amounts receivables after 12 months	**403,909**	-
	1,833,139	1,916,091
Unbilled receivables		
Unbilled receivables within 12 months	**5,477,741**	4,730,869
Unbilled receivables after 12 months, net	**9,323,008**	4,599,604
	14,800,749	9,330,473
Total trade and unbilled receivables	**16,633,888**	11,246,564

The above receivables are net of AED 500,891 thousands (2020: AED 303,591 thousands) relating to provision for doubtful debts. All other receivables are considered recoverable in full.

Movement in the provision for doubtful debts during the year is as follows:

	2021 AED'000	2020 AED'000
Balance at the beginning of the year	**303,591**	186,100
Provision made during the year	**197,905**	253,096
Reversed during the year	**(605)**	(135,605)
Balance at the end of the year	**500,891**	303,591

At 31 December, the ageing analysis of net trade and unbilled receivables is as follows:

			Past due but not impaired			
		Neither past due nor impaired	Less than 30 days	Between 30 to 60 days	Between 60 to 90 days	More than 90 days
	Total AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
2021	**16,633,888**	**14,800,749**	**964,043**	**124,648**	**65,485**	**678,963**
2020 (Restated)	11,246,564	9,330,473	233,053	149,094	62,621	1,471,323

Refer note 33(a) on credit risks of trade and unbilled receivables, which discusses how the Group manages and measures credit quality of trade and unbilled receivables that are neither past due nor impaired.

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11 OTHER ASSETS, RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2021 AED'000	2020 AED'000 (Restated)
Recoverable under development agreements	**4,547,121**	4,182,199
Advance against investments, net of provision (i)	**3,818,672**	3,911,851
Advances to contractors and others	**1,419,867**	3,077,322
Deferred sales commission (ii)	**1,123,386**	897,427
Value added tax recoverable	**388,657**	635,642
Recoverable from non-controlling interests, net of provision (note 6)	**322,051**	648,543
Inventory - Hospitality and Retail	**308,180**	349,358
Receivables from Communities Owner Associations	**480,368**	446,775
Deferred income tax assets (note 8)	**166,141**	313,345
Prepayments	**141,399**	170,777
Deposits for acquisition of land	**21,507**	34,811
Accrued interest	**19,901**	16,021
Other receivables and deposits	**1,430,785**	1,345,648
	14,188,035	16,029,719
Other assets, receivables, deposits and prepayments maturity profile:		
Within 12 months	**6,071,832**	6,477,107
After 12 months	**8,116,203**	9,552,612
	14,188,035	16,029,719

(i) Advance against investments represent funds contributed by the Group for the purpose of obtaining equity interest in certain ventures. These contributions were not formalized or converted into share capital as at the year end.

(ii) Deferred sales commission expense incurred to obtain or fulfil a contract with the customers is amortised over the period of satisfying performance obligations where applicable.

12 DEVELOPMENT PROPERTIES

	2021 AED'000	2020 AED'000 (Restated)
Balance at the beginning of the year	**38,532,763**	40,319,940
Effect of restatement (Note 2.4)	**2,400,156**	1,384,063
Balance at the beginning of the year (Restated)	**40,932,919**	41,704,003
Add: Costs incurred during the year	**10,804,810**	9,099,810
Add / (less): Costs transferred from / (to) property, plant and equipment (note 16)*	**182,622**	(21,174)
Add: Costs transferred from investment properties (note 17)*	**70,337**	-
Less: Costs transferred to cost of revenue during the year	**(13,592,461)**	(8,907,073)
Less: Foreign currency translation differences	**(180,487)**	(279,808)
Less: Write down (note 2.2 and 5)	**(476,994)**	(662,839)
Balance at the end of the year	**37,740,746**	40,932,919

*The Group has transferred certain costs from / to property, plant and equipment and investment properties based on the change in intended use of such developments.

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	2021 AED'000	2020 AED'000 (Restated)
Development properties located:		
Within UAE	**18,759,528**	21,961,720
Outside UAE	**18,981,218**	18,971,199
	37,740,746	40,932,919

Properties acquired, constructed or in the course of construction for sale in the ordinary course of business are classified as development properties and include the costs of:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction including the cost of construction of infrastructure; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Common infrastructure cost is allocated to various projects and forms part of the estimated cost to complete a project in order to determine the cost attributable to revenue being recognised.

The fair value of the Group's development properties at 31 December 2021 was determined based on valuations performed by professionally qualified external valuers. The valuation was performed in accordance with the RICS valuation standards, adopting the IFRS basis of fair value and using established valuation techniques. The value of the development properties has been determined using market comparable and residual cost method. Key observable inputs include market prices of similar transactions, margins derived and discount rates, any movement in the assumptions would result in the lower / higher fair value of these assets.

The fair value of the development properties as at the reporting date is AED 63,513,945 thousands (2020 (restated): AED 62,899,000 thousands). Also refer note 2.2.

During the year, an amount of AED 34,610 thousands (2020: AED 146,900 thousands) was capitalised as cost of borrowings for the construction of development properties, including unwinding costs.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of its development properties by valuation technique:

	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
2021	**63,513,945**	**-**	**-**	**63,513,945**
2020 (Restated)	62,899,000	-	-	62,899,000

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13 INVESTMENTS IN SECURITIES

	2021 AED'000	2020 AED'000
Financial assets at fair value through other comprehensive income (i)	**1,310,250**	672,092
Financial assets at fair value through profit and loss	**151,275**	174,754
Financial assets at amortised cost	**1,811,603**	2,077,812
	3,273,128	2,924,658
Investments in securities:		
Within UAE	**1,170,252**	546,416
Outside UAE	**2,102,876**	2,378,242
	3,273,128	2,924,658

(i) Financial assets at fair value through other comprehensive income include a contingent convertible instrument at fair value of AED 5,349 thousands (2020: AED 5,349 thousands) (refer note 14(i)) as well as funds managed by an external fund manager. Equity investments are in quoted, unquoted and index linked securities.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial assets at fair value by valuation technique:

	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
2021	**1,461,525**	**140,843**	**1,291,459**	**29,223**
2020	846,846	71,190	746,433	29,223

Valuations for Level 2 investments in securities have been derived by determining their redemption value which is generally net asset value per share of the investee companies. Significant unobservable inputs include adjustable market multiples, which would increase the fair value when higher. There were no transfers made between Level 1 and Level 2 during the year.

The following table shows a reconciliation of the opening and closing amount of Level 3 financial assets which are recorded at fair value:

	2021 AED'000	2020 AED'000
Balance at 1 January	**29,223**	29,223
Balance at 31 December	**29,223**	29,223

Investment in securities other than those recognised at amortised cost (debt instruments) are expected to be recovered after 12 months.

During the year, the Group purchased investments in securities and deposits of AED 3,793,556 thousands (2020: AED 7,702,940 thousands), this includes investment in funds and equity instruments of AED 757,888 thousands (2020: AED 72,014 thousands).

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14 LOANS TO ASSOCIATES AND JOINT VENTURES

	2021 AED'000	2020 AED'000
Emaar Dubai South DWC LLC	**843,493**	861,359
Old Town Views LLC	**136,236**	114,072
Amlak Finance PJSC (i)	**81,080**	87,118
Other associates and joint ventures	**41,387**	34,082
	1,102,196	1,096,631

Other than (i) below, loans to associates and joint ventures are unsecured, repayable on demand / as per the terms of the agreement and do not carry any interest.

(i) As per the terms of the restructuring agreement entered in 2014, 20% of the principal amount of the loan was repaid by Amlak in 2014, 65% is restructured into a long term facility maturing in 12 years carrying a profit rate of 2% per annum and 15% is restructured into a 12-year contingent convertible instrument.

15 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	2021 AED'000	2020 AED'000
Carrying value of investments in associates and joint ventures:		
Emaar, The Economic City (Saudi Joint Stock Company) - quoted (i)*	**1,593,458**	1,920,265
Downtown DCP LLC (note 4(a)(iii))*	**514,786**	498,113
DWTC Emaar LLC	**496,464**	437,273
Turner International Middle East Ltd	**265,960**	296,638
Zabeel Square LLC	**255,665**	255,663
Eko Temali Parklar Turizm Işletmeleri Anonim Şirketi	**200,038**	230,335
Emaar Industries and Investment (Pvt) JSC*	**142,894**	147,154
Amlak Finance PJSC - quoted (ii)*	**565,891**	117,421
Dead Sea Company for Tourist and Real Estate Investment*	**58,339**	68,615
Other associates and joint ventures	**981,154**	882,583
	5,074,649	4,854,060

* Represents Group's investment in associates.

(i) The market value of the shares held in Emaar, The Economic City ("EEC") (quoted on the Saudi Stock Exchange - Tadawul) as at 31 December 2021 was AED 3,036,606 thousands (2020: AED 2,344,764 thousands).

(ii) The market value of the shares held in Amlak Finance PJSC ("Amlak") (quoted on the Dubai Financial Market) as at 31 December 2021 was AED 521,465 thousands (2020: AED 182,477 thousands).

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The Group has the following effective ownership interest in its significant associates and joint ventures:

	Country	Ownership	
		31 December 2021	31 December 2020
Emaar, The Economic City (Saudi Joint Stock Company)	KSA	**22.95%**	30.59%
Amlak Finance PJSC	UAE	**48.08%**	48.08%
Emaar Bawadi LLC	UAE	**50.00%**	50.00%
Turner International Middle East Ltd	UAE	**65.00%**	65.00%
Eko Temali Parklar Turizm İşletmeleri Anonim Şirketi	Turkey	**50.00%**	50.00%
Emaar Industries and Investments (Pvt) JSC	UAE	**40.00%**	40.00%
Dead Sea Company for Tourist and Real Estate Investment	Jordan	**29.33%**	29.33%
Emaar Dubai South DWC LLC	UAE	**50.00%**	50.00%
DWTC Emaar LLC	UAE	**50.00%**	50.00%
Zabeel Square LLC	UAE	**50.00%**	50.00%
Downtown DCP LLC (note 4(a)(iii))	UAE	**20.00%**	20.00%
Old Town Views LLC	UAE	**61.25%**	61.25%

Notes to the Consolidated Financial Statements
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The following table summarises the income statements of the Group's associates and joint ventures for the year ended 31 December 2021:

	Emaar, The Economic City (Saudi Joint Stock Company) quoted* AED'000	Emaar Industries and Investment (Pvt) JSC AED'000	Emaar Dubai South DWC LLC AED'000	DWTC Emaar LLC AED'000	Turner International Middle East Ltd AED'000	Old Town Views LLC AED'000	Others* AED'000	Total AED'000
Revenue	317,074	303,197	989,956	-	135,709	492,624	1,109,905	3,348,465
Profit / (loss) before tax	(1,047,036)	12,556	202,655	(670)	74,602	218,053	884,083	344,243
Income tax expense	(44,310)	-	-	-	(3,070)	-	-	(47,380)
Profit / (loss) for the year	(1,091,346)	12,556	202,655	(670)	71,532	218,053	884,083	296,863
Other comprehensive income	28,866	(14,031)	-	-	-	-	(2,481)	12,354
Total comprehensive income for the year	(1,062,480)	(1,475)	202,655	(670)	71,532	218,053	881,602	309,217
Profit / (loss) attributable to owners of the Company	(1,091,346)	2,959	202,655	(670)	40,973	218,053	884,083	256,707
Group's share of profit / (loss) for the year	(333,843)	1,184	101,327	(335)	26,633	133,557	386,044	314,567
Dividend received during the year	-	-	-	-	57,311	-	37,000	94,311

* The Group has applied the equity method using latest available financial information as at 30 September 2021.

The financial information of the Group's associates and joint ventures included above have been adjusted to bring their accounting policies in line with the accounting policies followed by the Group.

Notes to the Consolidated Financial Statements

As at 31 December 2021

The following table summarises the income statements of the Group's associates and joint ventures for the year ended 31 December 2020:

	Emaar, The Economic City (Saudi Joint Stock Company) quoted*	Emaar Industries and Investment (Pvt) JSC	Emaar Dubai South DWC LLC	DWTC Emaar LLC	Turner International Middle East Ltd	Old Town Views LLC	Others	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Revenue	733,347	278,180	179,894	-	136,430	292,720	998,786	2,619,357
Profit / (loss) before tax	(1,064,953)	(3,306)	28,316	(64)	68,298	136,650	(724,681)	(1,559,740)
Income tax expense	(47,711)	-	-	-	(2,074)	-	-	(49,785)
Profit / (loss) for the year	(1,112,664)	(3,306)	28,316	(64)	66,224	136,650	(724,681)	(1,609,525)
Other comprehensive income	2,065	-	-	-	-	-	(28,448)	(26,383)
Total comprehensive income for the year	(1,110,599)	(3,306)	28,316	(64)	66,224	136,650	(753,129)	(1,635,908)
Profit / (loss) attributable to owners of the Company	(1,112,664)	(5,485)	28,316	(64)	59,464	136,650	(724,682)	(1,618,465)
Group's share of profit / (loss) for the year	(340,364)	(2,194)	14,158	(32)	38,651	83,698	(375,653)	(581,736)
Dividend received during the year	-	-	-	-	53,071	-	32,251	85,322

* The Group has applied the equity method using latest available financial information as at 30 September 2020.

The financial information of the Group's associates and joint ventures included above have been adjusted to bring their accounting policies in line with the accounting policies followed by the Group.

Notes to the Consolidated Financial Statements

As at 31 December 2021

The following table summarises the statements of financial position of the Group's associates and joint ventures as at 31 December 2021:

	Emaar, The Economic City (Saudi Joint Stock Company) quoted*	Emaar Industries and Investment (Pvt) JSC	Emaar Dubai South DWC LLC	DWTC Emaar LLC	Turner International Middle East Ltd	Old Town Views LLC	Others	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Total assets (including cash and cash equivalents of AED 1,617,089 thousands)	**15,484,300**	**709,608**	**1,946,533**	**1,062,981**	**478,409**	**564,423**	**8,867,575**	**29,113,829**
Total liabilities	**10,275,217**	**352,372**	**1,347,993**	**70,052**	**240,983**	**209,419**	**4,691,927**	**17,187,963**
Net assets	**5,209,083**	**357,236**	**598,540**	**992,929**	**237,426**	**355,004**	**4,175,648**	**11,925,866**
Group's share of net assets	**1,593,458**	**142,894**	**299,270**	**496,464**	**154,327**	**217,440**	**1,743,717**	**4,647,570**
Goodwill / intangible assets								**582,079**
Provision for impairment								**(155,000)**
								5,074,649

* The Group has applied the equity method using latest available financial information as at 30 September 2021.

As at 31 December 2021, the Group's associates and joint ventures had contingent liabilities of AED 140,067 thousands (2020: AED 149,583 thousands) and commitments of AED 3,262,353 thousands (2020: AED 4,068,892 thousands).

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The following table summarises the statements of financial position of the Group's associates and joint ventures as at 31 December 2020:

	Emaar, The Economic City (Saudi Joint Stock Company) quoted*	Emaar Industries and Investment (Pvt) JSC	Emaar Dubai South DWC LLC	DWTC Emaar LLC	Turner International Middle East Ltd	Old Town Views LLC	Others	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Total assets (including cash and cash equivalents of AED 1,593,271 thousands)	16,434,448	707,807	2,041,425	898,156	551,816	327,274	8,595,503	29,556,429
Total liabilities	10,157,019	339,922	1,645,539	23,611	267,192	190,322	5,351,477	17,975,082
Net assets	6,277,429	367,885	395,886	874,545	284,624	136,952	3,244,026	11,581,347
Group's share of net assets	1,920,265	147,154	197,943	437,273	185,005	83,883	1,323,708	4,295,231
Goodwill / intangible assets								588,829
Impairment								(30,000)
								4,854,060

* The Group has applied the equity method using latest available financial information as at 30 September 2020.

The financial information of the Group's associates and joint ventures included above have been adjusted to bring their accounting policies in line with the accounting policies followed by the Group.

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16 PROPERTY, PLANT AND EQUIPMENT

2021:	Leasehold improvements	Land and buildings	Computers office equipment	Plant, machinery and heavy equipment	Motor vehicles	Furniture and and fixtures	Leisure, entertainment and other assets	Capital work-in-progress	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Cost:									
At 1 January 2021	585,487	7,947,342	779,757	934,461	67,446	1,095,381	1,578,129	2,267,709	15,255,712
Additions/Adjustments	15,757	46,747	46,799	20,253	2,745	37,286	22,675	1,119,465	1,311,727
Disposals	(280)	-	(4,417)	(7,111)	(2,015)	(15,281)	(18,227)	(15,570)	(62,901)
Impairment (note 2.2)	(7,349)	(53,309)	(1,741)	-	-	(724)	(37,627)	(21,006)	(121,756)
Transfers	-	544,305	22,279	296,517	84	126,223	3,055	(992,463)	-
Transferred to development properties (note 12)	-	-	-	-	-	(3,626)	-	(179,843)	(183,469)
Transferred from investment properties (note 17)	-	26,302	-	-	-	9,240	-	-	35,542
Foreign currency translation differences	(28,885)	(3,965)	(844)	(2,022)	(174)	(2,646)	(2,845)	(232)	(41,613)
At 31 December 2021	564,730	8,507,422	841,833	1,242,098	68,086	1,245,853	1,545,160	2,178,060	16,193,242
Accumulated depreciation:									
At 1 January 2021	287,384	1,834,927	657,362	410,883	59,242	888,888	838,556	-	4,977,242
Depreciation charge for the year	16,034	250,172	103,385	91,929	3,860	81,178	111,266	-	657,824
Disposals	(173)	-	(4,542)	(6,471)	(1,788)	(14,484)	(15,236)	-	(42,694)
Transferred to development properties (note 12)	-	-	-	-	-	(847)	-	-	(847)
Transferred from investment properties (note 17)	-	5,402	-	-	-	-	-	-	5,402
Foreign currency translation differences	(13,222)	(3,599)	(744)	(1,945)	(119)	(1,042)	(1,228)	-	(21,899)
Impairment (note 2.2)	(4,531)	-	(803)	-	-	(314)	(1,348)	-	(6,996)
At 31 December 2021	285,492	2,086,902	754,658	494,396	61,195	953,379	932,010	-	5,568,032
Net carrying amount:									
At 31 December 2021	279,238	6,420,520	87,175	747,702	6,891	292,474	613,150	2,178,060	10,625,210

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2020:

	Leasehold improvements	Land and buildings	Computers and office equipment	Plant, machinery and heavy equipment	Motor vehicles	Furniture and fixtures	Leisure, entertainment and other assets	Capital work-in-progress	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Cost:									
At 1 January 2020	462,758	8,020,727	740,192	759,978	65,501	1,076,965	1,485,418	2,628,788	15,240,327
Additions/Adjustments (note a)	-	226,723	30,394	117,335	2,205	45,836	78,841	336,770	838,104
Disposals	(9,779)	(39,281)	(7,394)	(12,392)	(1,093)	(14,140)	(59)	-	(84,138)
Impairment (note 2.2)	-	-	-	-	-	-	-	(146,920)	(146,920)
Transfers	97,252	302,217	18,790	107,391	794	18,192	8,432	(553,068)	-
Transferred from development properties (note 12)	3,706	13,972	415	1,054	-	2,027	-	-	21,174
Transferred to investment properties (note 17)	-	-	-	-	-	-	-	(283)	(283)
Transferred to held for sale (note 4(a)(iii))	-	(582,111)	(3,688)	(39,614)	-	(37,907)	-	-	(663,320)
Foreign currency translation differences	31,550	5,095	1,048	709	39	4,408	5,497	2,422	50,768
At 31 December 2020	585,487	7,947,342	779,757	934,461	67,446	1,095,381	1,578,129	2,267,709	15,255,712
Accumulated depreciation:									
At 1 January 2020	257,728	1,634,733	562,356	301,048	55,690	811,757	716,578	-	4,339,890
Depreciation charge for the year	14,173	221,143	102,162	111,563	4,322	91,679	120,637	-	665,679
Disposals	(1,452)	(11,063)	(6,652)	(10,507)	(784)	(10,010)	(38)	-	(40,506)
Adjustments	-	-	(64)	14,831	-	-	(379)	-	14,388
Transferred to investment properties (note 17)	-	-	-	-	-	(72)	-	-	(72)
Transferred to held for sale (note 4(a)(iii))		(9,989)	(907)	(5,821)		(5,963)			(22,680)
Foreign currency translation differences	16,935	103	467	(231)	14	1,497	1,758	-	20,543
At 31 December 2020	287,384	1,834,927	657,362	410,883	59,242	888,888	838,556	-	4,977,242
Net carrying amount:									
At 31 December 2020	298,103	6,112,415	122,395	523,578	8,204	206,493	739,573	2,267,709	10,278,470

Note (a) – Addition during the year 2020 includes assets contributed by a shareholder of a subsidiary amounting to AED 89,564 thousands.

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The valuation of the Group's significant revenue generating property, plant and equipment is carried out by professionally qualified valuers. The net income has been capitalised at terminal yield range of 5.50% to 7.75% (2020: 5.50% to 7.75%) and a discount rate range of 7% to 9.75% (2020: 9.00% to 10.25%) representing the characteristics and risk profile of an asset to determine the value of each of the revenue generating property, plant and equipment. At 31 December 2021, the fair value of these revenue generating property, plant and equipment assets is AED 9,878,111 thousands (2020: AED 8,817,152 thousands) compared with a carrying value of AED 7,859,618 thousands (2020: AED 6,999,202 thousands). Also refer note 2.2.

Certain property, plant and equipment assets are pledged as security against interest-bearing loans and borrowings as disclosed under note 23.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of its revenue generating property, plant and equipment by valuation technique:

	Total	Level 1	Level 2	Level 3
	AED'000	AED'000	AED'000	AED'000
2021	**9,878,111**	**-**	**-**	**9,878,111**
2020	8,817,152	-	-	8,817,152

Any significant movement in the assumptions used for the fair valuation of revenue generating property, plant and equipment such as discount rates, long term revenue/ margin growth etc. would result in significantly lower / higher fair value of those assets.

17 INVESTMENT PROPERTIES

2021:	Land	Buildings	Plant and equipment	Furniture, fixtures and others	Capital work-in-progress	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Cost:						
At 1 January 2021	1,990,021	16,242,736	438,334	1,051,571	7,025,045	26,747,707
Additions	947	100,731	-	36,648	1,018,859	1,157,185
Disposals /adjustments	-	-	-	-	(7,346)	(7,346)
Transfers	-	2,247,638	-	52,083	(2,299,721)	-
Transfer to development properties (note 12)	-	(74,926)	-	-	-	(74,926)
Transferred to property, plant and equipment (note 16)	-	(26,302)	-	-	(9,240)	(35,542)
Foreign currency translation differences	(30)	(21)	-	-	(337)	(388)
At 31 December 2021	1,990,938	18,489,856	438,334	1,140,302	5,727,260	27,786,690
Accumulated depreciation:						
At 1 January 2021	-	3,223,397	436,883	768,878	-	4,429,158
Depreciation charge for the year	-	508,171	54	116,398	-	624,623
Transferred to development properties (note 12)	-	(4,589)	-	-	-	(4,589)
Transferred to property, plant and equipment (note 16)	-	(5,402)	-	-	-	(5,402)
At 31 December 2021	-	3,721,577	436,937	885,276	-	5,043,790
Net carrying amount:						
At 31 December 2021	1,990,938	14,768,279	1,397	255,026	5,727,260	22,742,900

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2020:

	Land AED'000	Buildings AED'000	Plant and equipment AED'000	Furniture, fixtures and others AED'000	Capital work-in-progress AED'000	Total AED'000
Cost:						
At 1 January 2020	1,990,006	15,467,135	438,334	880,268	6,965,864	25,741,607
Additions	-	184,498	-	77,225	1,145,876	1,407,599
Disposals /adjustments	-	-	-	(147)	-	(147)
Transfers	-	994,313	-	94,225	(1,088,538)	-
Transferred from property, plant and equipment (note 16)	-	-	-	-	283	283
Foreign currency translation differences	15	820	-	-	1,560	2,395
Impairment (note 2.2)	-	(404,030)	-	-	-	(404,030)
At 31 December 2020	1,990,021	16,242,736	438,334	1,051,571	7,025,045	26,747,707
Accumulated depreciation:						
At 1 January 2020	-	2,752,448	436,820	647,071	-	3,836,339
Depreciation charge for the year	-	470,841	63	121,953	-	592,857
Transferred from property, plant and equipment (note 16)	-	72	-	-	-	72
Relating to disposals	-	-	-	(146)	-	(146)
Foreign currency translation differences	-	36	-	-	-	36
At 31 December 2020	-	3,223,397	436,883	768,878	-	4,429,158
Net carrying amount:						
At 31 December 2020	1,990,021	13,019,339	1,451	282,693	7,025,045	22,318,549

The fair value of the freehold interest in Group's investment properties at 31 December 2021 was determined based on valuations performed by professionally qualified valuers. The valuation was performed in accordance with the RICS valuation standards, adopting the IFRS basis of fair value and using established valuation techniques. The values of the investment properties have been determined through analysis of the income cash flow achievable for the buildings and takes into account the projected annual expenditure. Both the contracted rent and estimated rental values have been considered in the valuation with allowances for void periods, running costs, vacancy rates and other costs. Based on the type and location of the property, the value of each of the properties has been determined by capitalising the estimated net income at an equivalent yield in the range of 7.85% to 8.80% (2020 : 7.97% to 8.56%) (income capitalisation method); or assuming rental growth rates from 2% (2020: 1.92%) discount rates of to 7.98% to 11% (2020: 7.97% to 17%) and exit cap rates of 5.85% to 8.75% (2020: 5.85% to 8.75%) (discounted cash flow method). Where there are outstanding construction costs to complete the property these have been reflected in the valuation (residual method). Also refer note 2.2.

The fair value of investment properties as at 31 December 2021 is AED 62,387,771 thousands (2020: AED 56,985,274 thousands).

Investment properties represent the Group's interest mainly in land and buildings situated in the UAE, Kingdom of Saudi Arabia, India, Turkey and Egypt.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of its investment properties by valuation technique:

	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
2021	**62,387,771**	**-**	**-**	**62,387,771**
2020	56,985,274	-	-	56,985,274

Any significant movement in the assumptions used for the fair valuation of investment properties such as discount rates, yield, rental growth, vacancy rate etc. would result in significantly lower / higher fair value of those assets.

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18 INTANGIBLE ASSETS

	Goodwill AED'000	Brand AED'000	Customers relationship AED'000	Software AED'000	Total AED'000
2021:					
Cost:					
At 1 January 2021	**573,382**	**164,300**	**51,700**	**5,309**	**794,691**
At 31 December 2021	**573,382**	**164,300**	**51,700**	**5,309**	**794,691**
Amortisation:					
At 1 January 2021	**-**	**-**	**34,590**	**4,629**	**39,219**
Charge for the year	**-**	**-**	**10,226**	**680**	**10,906**
At 31 December 2021	**-**	**-**	**44,816**	**5,309**	**50,125**
Net carrying amount:					
At 31 December 2021	**573,382**	**164,300**	**6,884**	**-**	**744,566**

	Goodwill AED'000	Brand AED'000	Customers relationship AED'000	Software AED'000	Total AED'000
Cost:					
At 1 January 2020	573,382	164,300	51,700	5,309	794,691
At 31 December 2020	573,382	164,300	51,700	5,309	794,691
Amortisation:					
At 1 January 2020	-	-	24,335	3,685	28,020
Charge for the year	-	-	10,255	944	11,199
At 31 December 2020	-	-	34,590	4,629	39,219
Net carrying amount:					
At 31 December 2020	573,382	164,300	17,110	680	755,472

Impairment assessment of goodwill

CGUs containing goodwill include Hamptons in the MENA region (AED 46,066 thousands), Namshi Holding Limited (AED 365,012 thousands) and Mirage Leisure and Development Inc. (AED 162,304 thousands) and has been tested for impairment using a value in use model. The calculation of value in use was sensitive to the following assumptions:

(i) **Gross margins -** Gross margins were based on the expectations of management based on past experience and expectation of future market conditions.

(ii) **Discount rates -** Discount rates reflected management's estimate of the specific risks. The discount rate was based on the risk-free rate of the investment's country, market risk premium related to the industry and individual unit related risk premium/ discount. This was the benchmark used by management to assess performance and to evaluate future investment proposals. Management estimated that such discount rate to be used for evaluation of the investment should be between 7% to 12.6% (2020: 7% to 12.6%).

(iii) **Growth rate estimates -** Management prepared a five-year budget based on their expectations of future results, thereafter a growth rate of 0.5% to 22% (2020: 0.5% to 38%) was assumed based on the nature of CGUs which also includes online retail.

With regard to the assessment of value in use of the goodwill and brand, management believes that no reasonably possible change in a key assumption would cause the carrying value of the goodwill to materially exceed its recoverable amount.

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19 RIGHT OF USE ASSETS AND LEASE LIABILITIES

The carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the year:

Right-of-use assets

	2021 AED'000	2020 AED'000
As at 1 January	1,268,823	823,348
Additions	-	619,279
Depreciation (note 6)	(126,233)	(173,804)
Provision for impairment (note 2.2)	(75,909)	-
As at 31 December	1,066,681	1,268,823

Lease liabilities

	2021 AED'000	2020 AED'000
As at 1 January	1,239,009	747,150
Additions	-	619,279
Interest expense	66,971	83,284
Payments	(153,688)	(210,704)
As at 31 December (note 20)	1,152,292	1,239,009

When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate at the start of lease. The average rate applied is 4% to 8% (2020: 4% to 8%).

During 2020, one of the Real-estate segments of the Group has recognised initial lease liabilities of AED 580 million and the corresponding right of use assets in relation to the lease agreement with a related party. Also refer note 32.

20 TRADE AND OTHER PAYABLES

	2021 AED'000	2020 AED'000 (Restated)
Project contract cost accruals and provisions	6,735,701	5,833,395
Creditors for land purchase	4,059,548	3,609,269
Trade payables	1,580,051	1,696,219
Lease liabilities (note 19)	1,152,292	1,239,009
Payable to non-controlling interests	204,429	199,673
Dividends payable	287,545	288,804
Income tax payable (note 8)	275,539	106,511
Other payables and accruals	4,276,981	4,453,826
	18,572,086	17,426,706

Trade and other payables are non-interest bearing and for explanations on the Group's liquidity risk management process and maturity profile of financial liabilities refer note 33.

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21 ADVANCES FROM CUSTOMERS

	2021 AED'000	2020 AED'000 (Restated)
Balance at the beginning of the year	8,592,009	10,147,032
Effect of restatement (Note no. 2.4)	3,097,414	2,055,930
Balance at the beginning of the year (Restated)	11,689,423	12,202,962
Additions during the year	27,334,082	15,376,526
Revenue recognised during the year	(25,225,132)	(15,854,293)
Foreign currency translation differences	(6,874)	(35,772)
Balance at the end of the year	13,791,499	11,689,423

The aggregate amount of the sale price allocated to the performance obligations of the Group that are fully or partially unsatisfied as at 31 December 2021 is AED 40,263,077 thousands (excluding joint ventures and development agreements) (2020: AED 33,572,368 thousands). The Group expects to recognise these unsatisfied performance obligations as revenue over a period of 5 years.

22 RETENTIONS PAYABLE

	2021 AED'000	2020 AED'000
Retentions payable within 12 months	868,409	926,648
Retentions payable after 12 months	628,712	720,900
	1,497,121	1,647,548

23 INTEREST-BEARING LOANS AND BORROWINGS

	2021 AED'000	2020 AED'000
Balance at the beginning of the year	13,993,753	14,373,729
Add: Borrowings drawndown during the year	5,505,513	7,466,349
Less: Borrowings repaid during the year	(10,303,875)	(7,846,325)
Total	9,195,391	13,993,753
Add: Facilities payable on demand (note 9)	223,521	50,805
Less: Unamortised portion of directly attributable costs	(2,029)	(9,610)
Net interest-bearing loans and borrowings at the end of the year	9,416,883	14,034,948
Interest-bearing loans and borrowings maturity profile:		
Within 12 months	6,365,371	3,490,265
After 12 months	3,051,512	10,544,683
Balance at the end of the year	9,416,883	14,034,948
Interest-bearing loans and borrowings located:		
Within UAE	5,410,423	7,852,109
Outside UAE	4,006,460	6,182,839
	9,416,883	14,034,948

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The Group has the following secured and unsecured interest-bearing loans and borrowings:

Secured

- USD 420,000 thousands (AED 1,542,660 thousands) of Syndicated facility, secured against certain investment properties owned by the Group in Turkey, carries interest at LIBOR plus 1.50% per annum and fully repayable by 2022.
- USD 8,449 thousands (AED 31,033 thousands) loan from commercial bank, secured against certain assets in Lebanon, carries interest at 7.5% per annum and is repayable by 2022.
- AED 708,124 thousands represent loan from a commercial bank, secured against certain assets in the United Arab Emirates, carries interest at EIBOR plus 1.50% per annum and is repayable by 2024.
- INR 10,449,320 thousands (AED 516,970 thousands) loans from commercial banks and financial institutions, secured against certain assets in India, bearing interest at rates ranging from 9.07% to 9.20% per annum and repayable by 2025.

Unsecured

- The Group had drawn USD 180,000 thousands (AED 661,140 thousands) out of USD 1,500,000 thousands (AED 5,509,500 thousands) Syndicated Revolving Credit Facility in UAE availed from commercial banks which carries interest / profit at LIBOR plus 1.25% per annum and is repayable by 2024.
- The Group had drawdown USD 2,000 thousands (AED 7,346 thousands) out of USD 1,000,000 thousands (AED 3,673,000 thousands) Revolving Credit Facility (the "Facility") in UAE availed from a syndication of commercial banks, carries profit at LIBOR plus 1.25% per annum and is repayable by 2022. The facility is presented in the consolidated financial statements at AED 7,165 thousands net of unamortised directly attributable transaction cost.
- The Group had drawdown USD 865,000 thousands (AED 3,177,145 thousands) out of USD 1,000,000 thousands (AED 3,673,000 thousands) Revolving Credit Facility (the "Facility") in UAE availed from a syndication of commercial banks, carries profit at LIBOR plus 1.25% per annum and is repayable by 2023. The facility is presented in the consolidated financial statements at AED 3,175,297 thousands net of unamortised directly attributable transaction cost.
- AED 286,863 thousands represent facilities obtained from a commercial bank in the United Arab Emirates bearing interest of 1 month EIBOR plus 1% per annum and is repayable on demand.
- AED 571,825 thousands represent short term facilities obtained from commercial banks in the United Arab Emirates bearing interest of EIBOR plus 1% per annum and is due in 2022.
- PKR 307,159 thousands (AED 6,378 thousands) loans from commercial banks, bearing interest at 3M KIBOR minus 0.25% per annum and repayable in 2022.
- USD 7,000 thousands (AED 25,711 thousands) loans from commercial banks in Lebanon, bearing interest up to 4.58% per annum and repayable by 2022.
- SAR 150,000 thousands (AED 147,000 thousands) loan from a commercial bank bearing interest at SIBOR plus 1% per annum and are repayable in 2023.
- INR 35,103,626 thousands (AED 1,736,717 thousands) loans in India from commercial banks, bearing interest from 5.68% to 9.50% per annum and repayable by 2026.

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24 SUKUK

	2021 AED'000	2020 AED'000
Emaar Sukuk Limited:		
- Series 3	**2,749,354**	2,748,390
- Series 4	**1,832,444**	1,831,347
- Series 5	**1,832,667**	-
EMG Sukuk Limited:		
- Sukuk	**2,748,475**	2,746,118
Total Sukuk liability as at year-end (all payable after 12 months)	**9,162,940**	7,325,855

A. Emaar Sukuk Limited:

Emaar Sukuk Limited (the "Issuer"), a limited liability company registered in the Cayman Islands and a wholly- owned subsidiary of the Group, has established a trust certificate issuance programme (the "Programme") pursuant to which the Issuer may issue from time to time up to USD 2,000,000 thousands (AED 7,346,000 thousands) of trust certificates in series.

Series 3:

On 15 September 2016, the Issuer had issued the third series of the trust certificates (the "Sukuk 3") amounting to USD 750,000 thousands (AED 2,754,750 thousands) under the Programme. The Sukuk 3 is listed on NASDAQ Dubai and is due for repayment in 2026. Sukuk 3 carries a profit distribution at the rate of 3.64% per annum to be paid semi-annually. The carrying value of Sukuk 3 is as follows:

	2021 AED'000	2020 AED'000
Sukuk liability as at year-end	**2,749,354**	2,748,390

Series 4:

On 17 September 2019, the Issuer has issued the fourth series of the trust certificates (the "Sukuk 4") amounting to USD 500,000 thousands (AED 1,836,500 thousands) under the Programme. The Sukuk 4 is listed on NASDAQ Dubai and is due for repayment in 2029. Sukuk 4 carries a profit distribution at the rate of 3.875% per annum to be paid semi-annually. The carrying value of Sukuk 4 is as follows:

	2021 AED'000	2020 AED'000
Sukuk liability as at year-end	**1,832,444**	1,831,347

Series 5:

On 6 July 2021, the Issuer has issued fifth series of trust certificates (the "Sukuk 5") amounting to AED 1,836,500 thousands (USD 500,000 thousands) under the Programme. The Sukuk 5 is listed on NASDAQ Dubai and is due for repayment in 2031. Sukuk 5 carries a profit distribution at the rate of 3.7% per annum to be paid semi-annually. The carrying value of Sukuk 5 is as follows:

	2021 AED'000
Proceeds from issuance of the Sukuk	**1,836,500**
Less: Sukuk issuance cost	**(5,351)**
Sukuk liability on initial recognition	**1,831,149**
Profit accrued up to year-end	**1,518**
Sukuk liability as at the end of the year	**1,832,667**

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B. EMG Sukuk Limited:

On 18 June 2014, the EMG Sukuk Limited (the “Issuer”), a limited liability company registered in the Cayman Islands and a wholly owned subsidiary of Emaar Malls Group PJSC (“EMG”) , has issued trust certificates (the “Sukuk”) amounting to USD 750,000 thousands (AED 2,754,750 thousands). The Sukuk is listed on the NASDAQ Dubai and is due for repayment in 2024. The Sukuk carries a profit distribution rate of 4.6% per annum to be paid semi-annually.

The carrying value of Sukuk are as follows:

	2021 AED’000	2020 AED’000
Sukuk liability as at year-end	**2,748,475**	2,746,118

25 EMPLOYEE BENEFITS

End-of-Service Benefits

The movement in the provision for employees’ end-of-service benefits are as follows:

	2021 AED’000	2020 AED’000
Balance at the beginning of the year	**167,211**	176,929
Provided during the year	**31,497**	36,737
Paid during the year	**(21,147)**	(46,455)
Balance at the end of the year	**177,561**	167,211

Employees’ Performance Share Programme

The Company has an Employee Performance Share Programme (“the Programme”) to recognise and retain high performing staff. The Programme gives the employee the right to purchase the Company’s shares at par. The shares carry full dividend and voting rights, and the option can be exercised at any time from the stipulated vested dates on the condition that the employee is still under employment at the exercise date. There are no cash settlement alternatives and the options have no contractual expiry date.

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

	2021		2020	
	No.	WAEP	No.	WAEP
Outstanding at the beginning of the year	**59,743**	**AED1.00**	59,743	AED 1.00
Granted during the year	**-**	**-**	-	-
Exercised during the year	**-**	**-**	-	-
Outstanding at the end of the year	**59,743**	**AED1.00**	59,743	AED1.00

The fair value of the vested shares is determined by reference to the official price list published by the Dubai Financial Market (DFM) for the 5 consecutive trading days prior to and after the vested date. As the options granted are deep in the money, management considers this to be an appropriate means of valuation.

Notes to the Consolidated Financial Statements
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26 SHARE CAPITAL

	2021 AED’000	2020 AED’000
Authorised capital 8,179,738,882 shares of AED 1 each		
(2020: 7,159,738,882 shares of AED 1 each) (refer note below)	**8,179,739**	7,159,739
Issued and fully paid-up 8,179,738,882 shares of AED 1 each		
(2020: 7,159,738,882 shares of AED 1 each) (refer note below)	**8,179,739**	7,159,739

The Company’s shareholders, at the general meeting held on 10 October 2021, approved an increase in authorised share capital of the Company to 8,179,738,882. During the year, after securing necessary approvals from authorities, on 22 November 2021, the Company has issued and allotted 1,020,000,000 new equity shares to NCI of Emaar Malls in accordance with the Merger scheme agreed by the shareholders of the Company and Emaar Malls (refer Note 2.1, 27 and 28)

27 RESERVES

	Statutory reserve AED’000	Capital reverse AED’000	General reserves AED’000	Share premium AED’000	Net unrealised gains (losses) reserve AED’000	Foreign currency translation reserve AED’000	Total AED’000
Balance as at 1 January 2020	15,220,245	3,660	6,679,130	578,234	(1,359,497)	(3,559,043)	17,562,729
Effect of changes due to restatements (note 2.4)	-	-	-	-	-	(8,814)	(8,814)
Balance as at 1 January 2020 (Restated)	15,220,245	3,660	6,679,130	578,234	(1,359,497)	(3,567,857)	17,553,915
Decrease in unrealised reserve	-	-	-	-	(51,591)	-	(51,591)
Increase in foreign currency translation reserve	-	-	-	-	-	(13,044)	(13,044)
Net gain / (loss) recognised directly in equity	-	-	-	-	(51,591)	(13,044)	(64,635)
Acquisition of non-controlling interests (note 4(b))	-	-	-	-	-	(209,352)	(209,352)
Acquisition of additional stake in a subsidiary (note 4(a))	-	-	-	-	-	(1,031)	(1,031)
Net movement during the year	-	-	261,700	-	-	-	261,700
Balance as at 31 December 2020 (Restated)	15,220,245	3,660	6,940,830	578,234	(1,411,088)	(3,791,284)	17,540,597
Balance as at 1 January 2021 (Restated)	**15,220,245**	**3,660**	**6,940,830**	**578,234**	**(1,411,088)**	**(3,791,284)**	**17,540,597**
Increase in unrealised reserve	**-**	**-**	**-**	**-**	**10,821**	**-**	**10,821**
Increase in foreign currency translation reserve	**-**	**-**	**-**	**-**	**-**	**17,320**	**17,320**
Net gain recognised directly in equity	**-**	**-**	**-**	**-**	**10,821**	**17,320**	**28,141**
Acquisition of non-controlling interests (refer note a below)	**2,097,856**	**-**	**-**	**-**	**-**	**-**	**2,097,856**
Net movement during the year	**-**	**-**	**380,011**	**-**	**-**	**-**	**380,011**
Balance as at 31 December 2021	**17,318,101**	**3,660**	**7,320,841**	**578,234**	**(1,400,267)**	**(3,773,964)**	**20,046,605**

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(a) Statutory and General reserve:

According to Article number 57 of the Articles of Association of the Company and Article 241 of the UAE Federal Law No. (2) of 2015, 10% of annual net profits after NCI are allocated to the statutory reserve and another 10% to the general reserve. The transfers to the statutory reserve may be suspended when the reserve reaches 50% of the paid-up capital. Transfers to the general reserve may be suspended by the ordinary general assembly when the reserve reaches 50% of the paid-up capital.

The statutory reserve is in excess of 50% of the paid-up share capital of the Company and therefore in accordance with a resolution of the Annual General Meeting, the Group has ceased further transfers to this reserve.

The statutory reserve includes:

- AED 2,475,000 thousands being the premium collected at AED 15 per share (shares par value at that time was AED 10 per share) on the 1:1.65 rights issue during the year ended 31 December 1998;
- AED 11,321,656 thousands being the premium collected to date at AED 4 per share (share par value at AED 1 per share) on the 1:1 rights issue announced during the year ended 31 December 2005;
- AED 1,348,331 thousands being the premium of AED 3.38 per share (share par value at AED 1 per share) on conversion of the notes having face value of USD 475,700 thousands (AED 1,747,246 thousands) on 22 January 2014;
- AED 63,207 thousands being the premium of AED 3.38 per share (share par value at AED 1 per share) on conversion of the Notes having face value of USD 22,300 thousands (AED 81,907 thousands) on 22 December 2014; and
- AED 2,097,856 thousands being the premium of AED 4.13 per share (share par value at AED 1 per share), net of decrease in equity attributable to owners of the Company on acquisition of NCI of Emaar Malls and associated transaction costs, made during the year ended 31 December 2021. Also refer Notes 2.1 and 26.

(b) Share premium:

Share premium of AED 578,234 thousands arise on dilution of Group investment in Emaar Misr for Development SAE through a primary offering of shares in an Initial Public Offering during 2015.

(c) Capital reserve:

Capital reserve of AED 3,660 thousands was created from the gain on sale of treasury shares in 2003.

(d) Net unrealised gains/(losses) reserve:

This reserve records fair value changes in financial assets at fair value through other comprehensive income and the Group's share in fair value reserve of the joint ventures and associates.

(e) Foreign currency translation reserve:

The foreign currency translation reserve is used to record exchange difference arising from translation of the financial statements of foreign subsidiaries, associates and joint ventures.

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28 EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit or loss for the year attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit or loss attributable to the owners of the Company (after adjusting for interest on the convertible notes) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The information necessary to calculate basic and diluted earnings per share is as follows:

	2021 AED'000	2020 AED'000 (Restated)
Earnings:		
Profit attributable to the owners of the Company for basic earnings	**3,800,110**	2,109,200

	2021	2020
Number of shares in thousands		
Weighted-average number of ordinary shares for basic earnings per share*	**7,274,314**	7,159,739

	2021	2020 (Restated)
Earnings per share:		
- basic and diluted earnings per share (AED)	**0.52**	0.29

* The weighted average number of shares at 31 December 2021 take account of the new 1,020,000,000 equity shares issued by the Company on 22 November 2021 to the NCI shareholders of Emaar Malls as part of the Merger scheme. Also refer notes 2.1 and 26.

29 GUARANTEES AND CONTINGENCIES

a) Guarantees

1. The Group has issued financial guarantees and letters of credit of AED 32,047 thousands (2020: AED 217,906 thousands).
2. The Group has provided a financial guarantee of AED 5,000 thousands (2020: AED 5,000 thousands) as security for the letter of guarantee issued by a commercial bank for issuance of a trade license from the Government of Dubai.
3. The Group has provided a performance guarantee of AED 6,351,465 thousands (2020: AED 6,517,374 thousands) to the Real Estate Regulatory Authority (RERA), Dubai for its new projects as per RERA regulations.
4. The Group has provided a corporate guarantee of AED 417,098 thousands (2020: AED 88,043 thousands) to a commercial bank as security for the guarantees issued by the bank on behalf of the joint venture of the Group.
5. The Group has provided performance guarantees of AED 104,131 thousands (2020: AED 98,926 thousands) to various government authorities in India for its projects. The banks have a lien of AED 145,163 thousands (2020: AED 116,361 thousands) towards various facilities (refer note 9).
6. The Group has provided a letter of credit and credit card facility of AED 438 thousands (2020: AED 25,296 thousands) in Egypt for its project. The bank has a lien of AED 438 thousands (2020: AED 25,296 thousands) (refer note 9) towards this letter of credit and credit card.
7. The Group has provided a bank guarantee of EGP 50,000 thousands (AED 11,684 thousands) (2020: AED 11,664 thousands) to government authority in Egypt for its project. The bank has a lien of EGP 50,000 thousands (AED 11,684 thousands) (2020: AED 11,664 thousands) (refer note 9) towards this bank guarantee.

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b) Contingencies

1. (a) Andhra Pradesh Industrial Infrastructure Corporation Ltd. ('APIIC'), a joint venture partner in certain subsidiaries of the Group in India, issued a legal notice to the Emaar India Ltd. (Emaar India) to terminate certain development and operational management agreements which were entered into between Emaar India, Emaar Hills Township Private Limited ('EHTPL' – a joint venture of the Group with APIIC) and Boulder Hills Leisure Private Limited ('BHLPL' – a joint venture of the Group with APIIC). APIIC has filed another suit against Emaar India to restrain Emaar India from carrying out any activity related to these developments. In addition thereto, number of litigations were initiated against the Group by third parties on the grounds of irregularities in acquisition and allocation of land, sale plots etc.

   The management, based on legal advice, is of the opinion that all the aforesaid suits filed by APIIC which are now being defended by Telangana State Industrial Infrastructure Corporation ('TSIIC'), shall be settled amicably by the parties under the Indian Arbitration and Conciliation Act, 1996, or as per the Dispute Redressal Mechanism provided under AP Infrastructure Development Enabling Act, 2001. Pending completion of various ongoing legal proceedings related to the above-mentioned projects and based on the legal advice received, the management believes that the allegations/matters raised are contrary to the factual position and hence are not tenable.

   (b) During the year, TSIIC filed a Petition before the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") against EHTPL and certain other parties under Section 241 and 242 of the Indian Companies Act 2013. The management believes that since the factual position with respect to demerger proceedings between APIIC and TSIIC, to be carried out in accordance with the Andhra Pradesh State Reorganization Act, 2014, has not changed and are still pending, therefore TSIIC has no locus standi to file the petition as it is not a shareholder of EHTPL and its name has not been entered into the Statutory Register of Members as maintained in terms of the provisions of Indian Companies Act 2013. Accordingly, management believes that the petition filed by TSIIC is not tenable.

2. Emaar MGF Construction Private Limited (EMCPL), a subsidiary of the Group, had developed and constructed the Commonwealth Games Village (CWGV) in India on a Public Private Partnership model in furtherance to the Project Development Agreement (PDA) entered with Delhi Development Authority (DDA) on 14 September 2007. The project completion was acknowledged by the DDA and Occupancy Certificate was issued in furtherance to the same. However, DDA invoked the performance Bank Guarantee (BG) of INR 1,830 million (AED 91 million) on account of Liquidated Damages (LD) and other claims on account of excess Floor Area Ratio (FAR) consumed and utilized, forfeiture of certain number of apartments, and certain other claims, alleging that EMCPL had not been able to achieve the timelines as per the terms of PDA. EMCPL contested the invocation of BG by filing a Petition with the Hon'ble Delhi High Court, for stay of encashment of the Bank Guarantees. Later, the Hon'ble Delhi High Court disposed of the said appeal by forming an Arbitral Tribunal and gave liberty to the parties to refer all their disputes to the Arbitral Tribunal. Arbitral Tribunal directed both the parties to file their respective claims. Pursuant to this, EMCPL filed statement of facts along with claims amounting to INR 14,182 million (AED 702 million). DDA filed their reply to EMCPL's statement of facts and claims and also filed their counter claims amounting to INR 14,460 million (AED 715 million) including LD. The above matter is pending before the Arbitral Tribunal.

   The management believes, based on legal opinion, that EMCPL has met the requirements as per the PDA and the LD imposed / BG invoked and other claims raised by DDA are not justifiable.

3. Ahluwalia Contracts (India) Limited (the "Contractor") appointed by EMCPL for the construction of the CWGV project in Delhi had filed certain claims which were not accepted by EMCPL. Consequently, the Contractor invoked the arbitration clause under the contract and filed claims amounting to INR 4,200 million (AED 208 million) relating to the works supposed to have been carried out by it but the same was not accepted by EMCPL. EMCPL also filed its Counter Claims amounting to INR 11,703 million (AED 579 million) against the Contractor for deficient and defective works, adjustments in billing and payments in line with the contract as well as a back-to-back claim on account of the invocation of BG as stated above. The above matter is pending before the Arbitral Tribunal for final arguments.

   The management believes that the Contractor has defaulted as per the Contract and claims raised by them are not in accordance with the terms of the contract. Accordingly, EMCPL is hopeful of a favourable decision from the arbitration panel.

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30 COMMITMENTS

At 31 December 2021, the Group had commitments of AED 8,666,977 thousands (2020: AED 12,518,498 thousands) which include project commitments of AED 7,928,074 thousands (2020: AED 11,654,587 thousands). This represents the value of contracts entered into by the Group including contracts entered for purchase of plots of land at year end net of invoices received and accruals made at that date.

Furthermore, in accordance with the Development Agreement entered by the Group with Mina Rashid, the Group has a commitment to pay 30% of future profits over the project life cycle of Mina Rashid Project.

There were certain claims submitted by contractors and other parties relating to various projects of the Group in the ordinary course of business from which it is anticipated that no material unprovided liabilities will arise.

Operating lease commitments - Group as lessor

The Group has entered into leases on its investment property portfolio. The future minimum rentals receivable under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables, are as follows:

	2021 AED'000	2020 AED'000
Within one year	**2,792,654**	1,975,124
After one year but not more than five years	**5,926,985**	5,264,016
More than five years	**1,132,342**	1,258,178
	9,851,981	8,497,318

In addition to the above lease commitments, the Group also have rent agreements where in it is entitled to receive rent based on turnover of tenants and services charges.

31 DIVIDENDS

A cash dividend of AED 0.10 per share for 2020 was approved by the shareholders of the Company at the Annual General Meeting of the Company held on 11 April 2021.

A cash dividend of AED 0.15 per share for 2021 is proposed by the Board of Directors of the Company subject to the approval of shareholders in the forthcoming Annual General Meeting.

32 RELATED PARTY DISCLOSURES

The Group in the normal course of business enters into transactions with individuals and other entities that falls within the definition of related party. The Group's related parties include key management personnel, entities held under common control, associates, joint ventures and others.

The Group is partly owned by Investment Corporate of Dubai ("ICD"), an entity owned by the Government of Dubai ("Government"). The Group enters into transactions, in the normal course of business, with Government-owned entities and entities wherein ICD has control, joint control or significant influence. In accordance with the exemption available in IAS 24, management has elected not to disclose such transactions, which are primarily in nature of financing and operational related activities, and entered in the normal course of business at commercial terms.

Notes to the Consolidated Financial Statements
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Related party transactions

During the year, the following were the significant related party transactions, which were carried out in the normal course of business on terms agreed between the parties:

	2021 AED'000	2020 AED'000
Associates and Joint Ventures:		
Property development expenses	**31,742**	53,150
Islamic finance income	**2,229**	2,384
Selling, general and administrative expenses	**12,831**	7,374
Revenue from leasing, retail and related income	**273**	2,890
Cost of revenue	**636**	837
Other operating income	**6,605**	7,863
Directors, Key management personnel and their related parties:		
Selling, general and administrative expenses	**159,193**	165,657
Rental income from leased properties and related income	**79,816**	78,868
Finance costs	**44,328**	50,180
Cost of revenue	**11,755**	78,603
Other income	**3,000**	4,700
Other operating income	**23,703**	54,339

Related party balances

Significant related party balances (and the consolidated statement of financial position captions within which these are included) are as follows:

	2021 AED'000	2020 AED'000
Associates and Joint Ventures:		
Trade and other payables	**14,978**	70,644
Trade and unbilled receivables	**1,671**	881
Directors, Key management personnel and their related parties:		
Trade and unbilled receivables	**2,897**	42,720
Other assets, receivables, deposits and prepayments	**151,772**	820,020
Trade and other payables	**694,398**	737,874
Advance from customers	**4,312**	3,092

Compensation of key management personnel

The remuneration of key management personnel during the year was as follows:

	2021 AED'000	2020 AED'000
Short-term benefits	**219,799**	264,803
Employees' end-of-service benefits	**8,545**	7,933
	228,344	272,736

During the year, the number of key management personnel is 160 (2020: 173).

Notes to the Consolidated Financial Statements
As at 31 December 2021

During the year, the Company has paid a bonus of AED 9,329 thousands to the non-executive members of the Board of Directors for the year 2020 as approved by the shareholders at the Annual General Meeting of the Company held on 11 April 2021 (2020: AED 7,350 thousands).

33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Overview

The Group has exposure to the following risks from its use of financial instruments:

a) Credit risk;

b) Market risk; and

c) Liquidity risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk and the Group's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Group's senior management are responsible for developing and monitoring the Group's risk management policies and report regularly to the Board of Directors on their activities.

The Group's current financial risk management framework is a combination of formally documented risk management policies in certain areas and informal risk management policies in others. The Group's risk management policies (both formal and informal) are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group's principal financial liabilities, other than derivatives, comprise interest-bearing loans and borrowings, sukuk, retentions payable and trade and other payables. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various financial assets such as bank balances and cash, trade and unbilled receivables, investment in securities, loan to joint ventures and associates and other receivables and deposits, which arise directly from its operations.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to credit risk principally from its receivables from customers, other receivables and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Total financial assets at amortised cost amounted to AED 36,330,791 thousands (2020 (restated): AED 30,250,002 thousands) as at the reporting date.

Trade, unbilled and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country, in which customers operate, has less influence on credit risk. The Group earns its revenues from a large number of customers spread across different geographical segments. However, geographically 96% (2020: 98%) of the Group's trade and unbilled receivables are based in Middle East and North Africa.

The Group has entered into contracts for the sale of residential and commercial units and plots of land on an instalment basis. The instalments are specified in the contracts. The Group is exposed to credit risk in respect of instalments due. However, the legal ownership of residential, commercial units and plots of land is transferred to the buyer only after all the instalments are

Notes to the Consolidated Financial Statements
As at 31 December 2021

recovered. In addition, instalment dues are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group establishes an allowance for impairment at each reporting date that represents its estimate of expected credit losses in respect of trade, unbilled and other receivables. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group has calibrated the matrix to adjust the historical credit loss experience with forward-looking information.

Other financial assets and cash deposits

With respect to credit risk arising from the other financial assets of the Group, which comprise bank balances and cash, investment in securities, loans to associates and joint ventures, other receivables and deposits, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets.

Credit risk from balances with banks and financial institutions is managed by Group's treasury in accordance with the Group's policy. The Group limits its exposure to credit risk by only placing balances with international banks and local banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

Guarantees

The Group's policy is to provide financial guarantees only to its subsidiaries and certain associates and joint ventures / development arrangements. For details of guarantees outstanding as at the reporting date refer note 29 to the consolidated financial statements.

Excessive risk of concentration

Concentration arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentration of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as currency risk, interest rate risk and equity prices risks, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group also enters into derivative transactions, primarily interest rate swap. The purpose is to manage the interest rate risk arising from the Group's sources of finance.

The Group does not hold or issue derivative financial instruments for speculative purposes.

Exposure to interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Interest on financial instruments having floating rates is re-priced at intervals of less than one year and interest on financial instruments having fixed rates is fixed until the maturity of the instrument. Other than commercial and overall business conditions, the Group's exposure to market risk for changes in interest rate environment relates mainly to its borrowing from financial institutions, investment in financial products and fixed deposits.

Notes to the Consolidated Financial Statements
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The following table demonstrates the sensitivity to a reasonably possible change in interest rates, after the impact of hedge accounting (if any), with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings):

	2021		2020	
	Change in basis points	**Sensitivity of interest expense AED'000**	**Change in basis points**	**Sensitivity of interest expense AED'000**
Financial liabilities	**± 100**	**89,707**	± 100	135,489

The investments in financial products are not for trading or speculative purposes but placed in securities or fixed deposits, with the objective of achieving better returns than cash at bank. The interest rates on loans to associates and joint ventures are described in note 14 to the consolidated financial statements. Interest rates on loans from financial institutions are disclosed in note 23 and 24 to the consolidated financial statements. The Group also carries certain fixed rate financial assets, which does not have any significant exposure on interest rate risk.

Exposure to foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's significant monetary assets and liabilities denominated in foreign currencies are either in USD or in currencies pegged to USD. As the AED is currently pegged to the USD, balances in USD and other currencies pegged against USD are not considered to represent significant currency risk.

However, the Group's exposure to the risk of changes in foreign exchange rates primarily relates to the Group's net investments in those subsidiaries and associates where functional currencies are denominated in a different currency from the Group's functional currency and which are not pegged to the AED and USD. The foreign currency exchange differences arising upon consolidation of these entities for the purpose of preparation of the Group's consolidated financial statements are recorded in the consolidated statement of changes in equity through the consolidated statement of comprehensive income.

The table below indicates the sensitivity analysis of a change in foreign exchange rates of these currencies and their impact on other comprehensive income:

	2021		2020	
Currency	**Change in currency rate in %**	**Effect on equity / profit AED'000**	**Change in currency rate in %**	**Effect on equity / profit AED'000**
EGP	**+10**	**459,384**	+10	507,468
INR	**+10**	**151,106**	+10	171,101
Other currencies not pegged to US Dollar	**+10**	**(31,112)**	+10	(893)

Exposure to equity price risk

Equity price risk is the risk that the fair values of equities increase or decrease as a result of changes in the levels of equity indices and the value of individual stocks. The non-trading equity price risk exposure arises from the Group's investment portfolio. Equity price risk arises from equity instruments held by the Group at fair value through other comprehensive income and fair value through profit and loss. Management of the Group monitors equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed by qualified fund managers as well as on an individual basis. The primary goal of the Group's investment strategy is to maximise investment returns.

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Exposure to equity price risk

The effect on fair value of investment in securities (as a result of a change in the fair value of equity instruments held at fair value through other comprehensive income and fair value through profit and loss as at 31 December) due to a reasonably possible change in equity indices, with all other variables held constant, is as follows:

	2021		2020	
	Change in equity price in %	**Effect on equity AED'000**	**Change in equity price in %**	**Effect on equity AED'000**
Investments	**+10**	**143,230**	+10	81,762

Exposure to overseas country risks

Management monitors political and economic events and developments in countries where the Group operates to assess the likelihood of any potential impact to the Group's financial position and results of operations.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. trade and unbilled receivables, other financial assets) and projected cash flows from operations.

The cash flows, funding requirements and liquidity of Group companies are monitored on a centralised basis, under the control of Group Treasury. The objective of this centralised system is to optimise the efficiency and effectiveness of the management of the Group's capital resources. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank borrowings and finance lease contracts. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group currently has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Financial liabilities	**Within 1 year AED'000**	**1 to 5 years AED'000**	**Over 5 years AED'000**	**Total AED'000**
As at 31 December 2021				
Interest-bearing loans and borrowings	**6,990,025**	**4,487,054**	**553,246**	**12,030,325**
Retentions payable	**868,409**	**628,712**	**-**	**1,497,121**
Lease liabilities	**145,079**	**583,023**	**553,246**	**1,281,348**
Payable to non-controlling interests	**-**	**204,429**	**-**	**204,429**
Dividend payable	**287,545**	**-**	**-**	**287,545**
Sukuk	**364,977**	**6,655,090**	**4,226,246**	**11,246,313**
Other liabilities	**8,484,972**	**7,070,444**	**919,102**	**16,474,518**
Total undiscounted financial liabilities	**17,141,007**	**19,628,752**	**6,251,840**	**43,021,599**

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Financial liabilities	**Within 1 year AED'000**	**1 to 5 years AED'000**	**Over 5 years AED'000**	**Total AED'000**
As at 31 December 2020 (Restated)				
Interest-bearing loans and borrowings	4,258,861	12,109,332	461,195	16,829,388
Retentions payable	926,648	720,900	-	1,647,548
Lease liabilities	192,137	754,523	660,683	1,607,343
Payable to non-controlling interests	-	199,673	-	199,673
Dividend payable	288,804	-	-	288,804
Sukuk	171,299	3,389,881	5,247,477	8,808,657
Other liabilities	8,878,357	5,906,852	1,055,711	15,840,920
Total undiscounted financial liabilities	14,716,106	23,081,161	7,425,066	45,222,333

d) Capital management

Capital includes equity attributable to the equity holders of the Company. The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The primary objective of the Group's capital management strategy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio below 50%. The Group includes within net debt, interest bearing loans and borrowings and sukuk less cash and cash equivalents. Capital includes equity attributable to the owners of the Company less the net unrealised gains/ (losses) reserve. At 31 December 2021, the Groups' gearing ratio is 14% (2020: 21%). The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Board of Directors also monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity, excluding minority interests. The Board of Directors also monitors the level of dividends to shareholders, the return on capital to shareholders or issuance of new shares to maintain or adjust the capital structure.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2021 and 31 December 2020.

Neither the Company nor any of its subsidiaries is subject to externally imposed capital requirements other than the statutory requirements in the jurisdictions where the Group entities are incorporated.

34 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets of the Group include bank balances and cash, trade and unbilled receivables, investment in securities, loans and advances, other receivables and due from related parties. Financial liabilities of the Group include customer deposits, interest-bearing loans and borrowings, sukuk, accounts payable, retentions payable and other payable.

The fair values of the financial assets and liabilities are not materially different from their carrying value unless stated otherwise.

Notes to the Consolidated Financial Statements
As at 31 December 2021

35 SUBSIDIARIES WITH MATERIAL NCI

Financial information of subsidiaries of the Group that have material non-controlling interest (NCI) are provided below:

	Country of incorporation	NCI holding 2021	NCI holding 2020
Emaar Malls PJSC (refer note 2.1)	UAE	-	15.37%
Emaar Development PJSC	UAE	**20.00%**	20.00%
Emaar Misr for Development SAE	Egypt	**11.26%**	11.26%
Emaar India Limited	India	**22.99%**	22.99%

The following table summarises the statement of financial position of these subsidiaries for the year ended 31 December 2021. This information is based on the amounts before inter-company elimination.

	Emaar Malls PJSC AED'000	Emaar Development PJSC AED'000	Emaar Misr for Development SAE AED'000	Emaar India Limited AED'000
Total assets	-	**36,164,592**	**13,634,916**	**9,362,559**
Total liabilities	-	**19,749,216**	**8,412,448**	**7,522,042**
Total equity	-	**16,415,376**	**5,222,468**	**1,840,517**
Attributable to:				
Owners of the Company	-	**11,594,244**	**4,593,842**	**1,330,767**
Non-controlling interest	-	**4,821,132**	**628,626**	**509,750**

The following table summarises the income statement of these subsidiaries as at 31 December 2021. This information is based on the amounts before inter-company elimination.

	Emaar Malls PJSC AED'000	Emaar Development PJSC AED'000	Emaar Misr for Development SAE AED'000	Emaar India Limited AED'000
Revenue	**4,071,173**	**15,601,892**	**2,605,809**	**1,120,256**
Profit / (loss) for the year	**1,440,256**	**4,232,510**	**963,440**	**(216,421)**
Total comprehensive income for the year	**1,440,256**	**4,232,510**	**963,440**	**(216,421)**
Attributable to:				
Owners of the Company	**1,218,922**	**2,595,470**	**854,958**	**(169,330)**
Non-controlling interest	**221,334**	**1,637,040**	**108,482**	**(47,091)**

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The following table summarises the statement of financial position these subsidiaries for the year ended 31 December 2020. This information is based on the amounts before inter-company elimination.

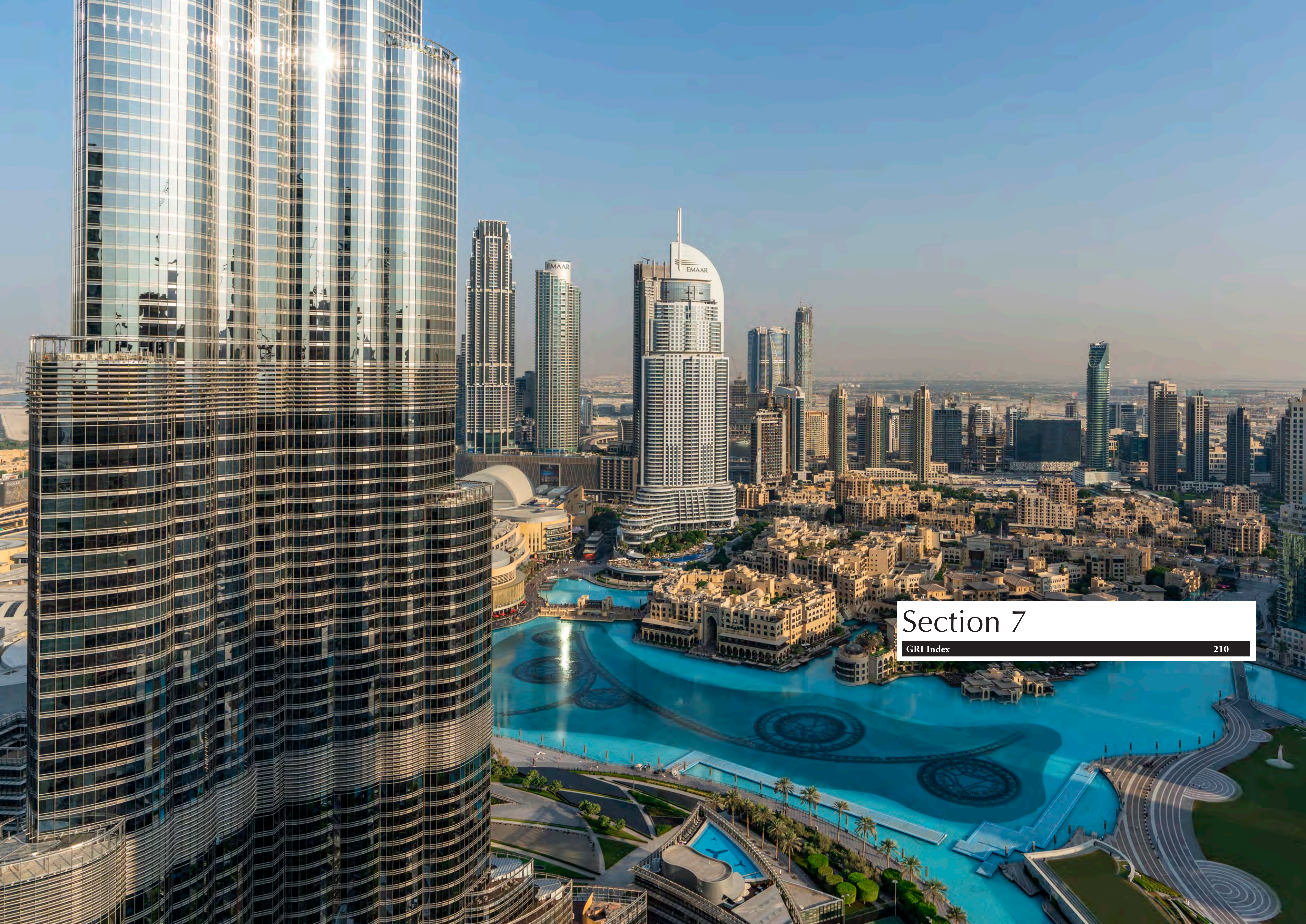
	Emaar Malls PJSC AED'000	Emaar Development PJSC AED'000	Emaar Misr for Development SAE AED'000 (Restated)	Emaar India Limited AED'000
Total assets	24,991,489	33,708,938	10,734,895	10,162,429
Total liabilities	5,931,517	20,209,172	6,481,760	8,072,648
Total equity	19,059,972	13,499,766	4,253,136	2,089,781
Attributable to:				
Owners of the Company	16,130,454	8,046,132	3,733,655	1,523,647
Non-controlling interest	2,929,518	5,453,634	519,481	566,134

The following table summarises the income statement of these subsidiaries as at 31 December 2020. This information is based on the amounts before inter-company elimination.

	Emaar Malls PJSC AED'000	Emaar Development PJSC AED'000	Emaar Misr for Development SAE AED'000 (Restated)	Emaar India Limited AED'000
Revenue	3,507,561	9,758,283	1,095,423	1,027,723
Profit / (loss) for the year	703,609	2,055,530	439,113	(641,123)
Total comprehensive income for the year	703,609	2,055,530	439,113	(641,123)
Attributable to:				
Owners of the Company	595,460	1,325,848	389,669	(455,571)
Non-controlling interest	108,149	729,682	49,444	(185,552)

36 SUBSEQUENT EVENTS

The Company's management has resolved to initiate a share buyback program by Emaar Properties PJSC of not more than 1% of its issued share capital. The proposed buyback scheme is subject to shareholders and regulatory approvals. Further, subject to shareholders and applicable regulatory approval, Board of Directors of the Company would decide whether to sell or cancel these shares.



Section 7

GRI Index

GRI STANDARD	DESCRIPTION	REPORT LOCATION OR DIRECT ANSWER
GENERAL DISCLOSURES		
ORGANIZATIONAL PROFILE		
102-1	Name of the organization	Emaar Properties PJSC (DFM:EMAAR)
102-2	Activities, brands, products and services	Our Business
102-3	Location of headquarters	Emaar Properties' corporate headquarters is located in Dubai, UAE. In addition, we operate property management offices in each of our markets.
102-4	Location of operations	Our Business
102-5	Ownership and legal form	Corporate Governance Report, page 104
102-6	Markets served	Our Business
102-7	Scale of the organization	Annual Report, pages 12 - 16
102-8	"Information on employees and other workers"	Society—Talent Attraction, Engagement and Retention

GRI STANDARD	DESCRIPTION	REPORT LOCATION OR DIRECT ANSWER
GENERAL DISCLOSURES		
102-9	Supply chain	Emaar Properties' supply chain is limited to its corporate operations and portfolio properties. We directly engage with a number of third-party suppliers for the procurement of materials and services for the construction of new development projects and ongoing operation of existing buildings.
102-10	Significant changes to organization and supply chain	We had no significant changes to our organization or our supply chain in 2021.
102-11	Precautionary Principle or approach	Emaar Properties does not currently address the Precautionary Principle.
102-12	External initiatives	Industry Associations and External Initiatives
102-13	Membership of associations	Industry Associations and External Initiatives
STRATEGY		
102-14	Statement from senior decision-maker	Managing Director's Message
102-16	Values, principles, standards and norms of behavior	Business Ethics
102-17	Mechanisms for advice and concerns about ethics	Business Ethics
GOVERNANCE		
102-18	Governance structure	Governance and Board Oversight, page 104
102-19	Delegating authority	Governance and Board Oversight, page 104

GRI STANDARD	DESCRIPTION	REPORT LOCATION OR DIRECT ANSWER
GENERAL DISCLOSURES		
102-20	Executive-level responsibility for economic, environmental and social topics	Corporate Governance Report, page 104
102-32	Highest governance body's role in sustainability reporting	Corporate Governance Report, page 104
STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	Materiality Report, page 24
102-42	Basis for identifying and selecting stakeholders	Materiality Report, page 24
102-43	Approach to stakeholder engagement	Materiality Report, page 24
102-44	Key topics, concerns raised, which stakeholder group raised each key topic/concern, and how the organization has responded (including through reporting)	Materiality Report, page 24
REPORTING PRACTICES		
102-45	Entities included in consolidated financial statements	
102-46	Process for defining report content and topic Boundaries: how the reporting principles for defining report content were applied	Materiality Report, page 24
102-47	List of material topics	Materiality Report, page 24
102-48	Effect of restatements of information and reasons for them	NA
102-49	Changes in reporting	NA

GRI STANDARD	DESCRIPTION	REPORT LOCATION OR DIRECT ANSWER
GENERAL DISCLOSURES		
102-50	Reporting period	All data presented covers calendar year 2021 unless otherwise stated.
102-51	Date of most recent report	Sustainability & Annual Reports 2020
102-52	Reporting cycle	Annually & Quarterly
102-53	Contact point for questions	Mr. Abhay Singhvi
		Investor Relations - ASinghvi@emaar.ae
102-54	Core or comprehensive claim	Reporting Approach
102-55	GRI Index	This document represents Emaar Properties' content index.
102-56	Policy/practice for external assurance	2020 Assurance Statement

GRI Index

GRI STANDARD	DESCRIPTION	REPORT LOCATION OR DIRECT ANSWER
TOPIC-SPECIFIC DISCLOSURES		
ECONOMIC PERFORMANCE		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundaries	Management Discussion and Analysis, page 68
	103-2 The management approach and its components	Management Discussion and Analysis, page 68
	103-3 Evaluation of the management approach	Management Discussion and Analysis, page 68

GRI STANDARD	DESCRIPTION	REPORT LOCATION OR DIRECT ANSWER
TOPIC-SPECIFIC DISCLOSURES		
ENERGY		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundaries	Focus area 5: Sustainability, page 62
		Focus area 5: Sustainability, page 62
	103-2 The management approach and its components	Focus area 5: Sustainability, page 62
	103-3 Evaluation of the management approach	Focus area 5: Sustainability, page 62
302-1	Energy consumption within the organization	Focus area 5: Sustainability, page 62
		Focus area 5: Sustainability, page 62
302-4	Reduction of energy consumption	Focus area 5: Sustainability, page 62
EMISSIONS		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundaries	Focus area 5: Sustainability, page 62
	103-2 The management approach and its components	Focus area 5: Sustainability, page 62
	103-3 Evaluation of the management approach	Focus area 5: Sustainability, page 62

GRI STANDARD	DESCRIPTION	REPORT LOCATION OR DIRECT ANSWER
TOPIC-SPECIFIC DISCLOSURES		
305-2	Indirect (Scope 2) GHG emissions	Focus area 5: Sustainability, page 62
305-5	Reduction of GHG emissions	Focus area 5: Sustainability, page 62
EFFLUENTS AND WASTE		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundaries	Focus area 5: Sustainability, page 62
		Focus area 5: Sustainability, page 62
	103-2 The management approach and its components	Focus area 5: Sustainability, page 62
	103-3 Evaluation of the management approach	Focus area 5: Sustainability, page 62
306-2	Waste by type and disposal method	Focus area 5: Sustainability, page 62
TALENT ATTRACTION, ENGAGEMENT AND RETENTION		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundaries	Focus area 4: Our people, page 60
	103-2 The management approach and its components	Focus areas: Health & Safety; Our people (54, 60)
	103-3 Evaluation of the management approach	Focus areas: Health & Safety; Our people (54, 60)
401-1	New employee hires and employee turnover	Focus areas: Health & Safety; Our people (54, 60)
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Focus areas: Health & Safety; Our people (54, 60)

GRI STANDARD	DESCRIPTION	REPORT LOCATION OR DIRECT ANSWER
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TRAINING AND EDUCATION		
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	103-2 The management approach and its components	Focus area 4: Our people, page 60
	103-3 Evaluation of the management approach	Focus area 4: Our people, page 60
404-2	Programs for upgrading employee skills and transition assistance programs	Focus area 4: Our people, page 60
404-3	Percentage of employees receiving regular performance and career development reviews	Focus area 4: Our people, page 60
DIVERSITY AND EQUAL OPPORTUNITY		
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	103-2 The management approach and its components	Focus area 4: Our people, page 60
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GRI STANDARD	DESCRIPTION	REPORT LOCATION OR DIRECT ANSWER
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	103-2 The management approach and its components	Focus area 1: Health & Safety, page 54
	103-3 Evaluation of the management approach	Focus area 1: Health & Safety, page 54
416-1	Assessment of the health and safety impacts of product and service categories	Focus area 1: Health & Safety, page 54
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		Focus area 1: Health & Safety, page 54
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	103-2 The management approach and its components	Focus area 5: Sustainability, page 62
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Company-specific Metrics	LEED or equivalent certified properties; Annual spend on sustainability projects	Focus area 5: Sustainability, page 62

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