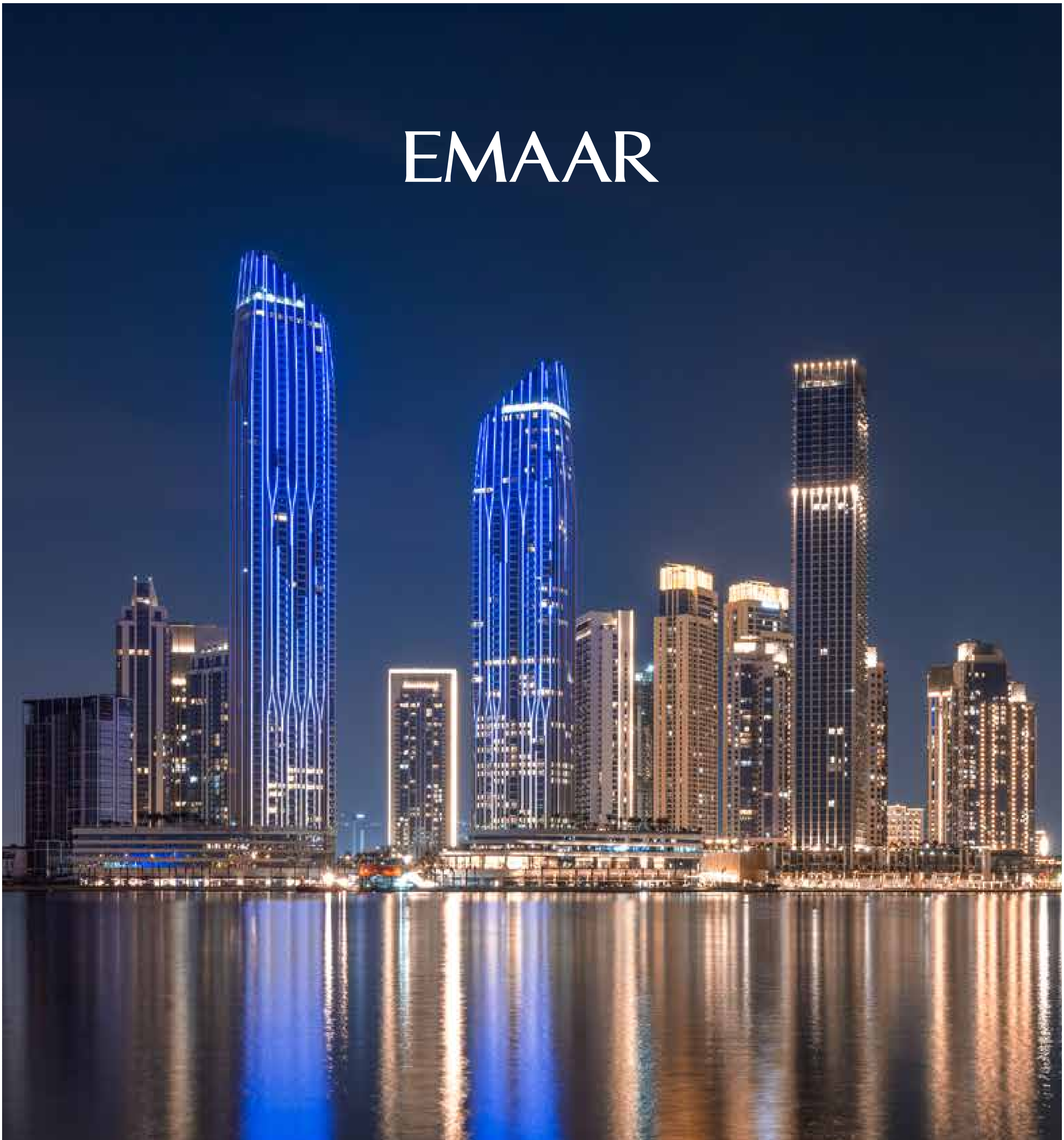

EMAAR PROPERTIES PJSC

INTEGRATED ANNUAL REPORT 2022

CONTENTS

TURNING DREAMS TO REALTY

Emaar Properties PJSC strives to provide its customers with the highest possible quality of life. Our dream is to make our communities a place where anything is possible and we design and construct landmarks to reflect these possibilities. Each of our buildings exemplifies innovative design and construction that pushes the boundaries.

We have pioneered the development of master-planned communities and designed integrated lifestyle destinations such as Downtown Dubai, Dubai Marina, Marassi and Uptown Cairo. We have developed shopping centres, hotels, resorts, office buildings and apartment complexes, and we are renowned for providing our clients with the finest in modern conveniences, amenities and retail and entertainment experiences, right at their fingertips.

Shaping cityscapes… and living it large

Burj Khalifa
The world's tallest building with 163 floors.

Dubai Mall
One of the world's largest and most visited malls.

Dubai Fountain
At 900-ft, the tallest performing fountain in the world. A spectacular unison of water, music, and light.

Dubai Opera
This 2,000-seater performing arts hotspot is a multi format space, morphing from a theatre into a banquet hall at the click of a button. Such versatility is unmatched in the world.

At the Top
The highest observation deck in the world.

A 25-year young company with unbeatable scale

Market capitalisation
AED 51+ Bn as at 30 December 2022

Revenue
AED 24.9 Bn in 2022

Core strength
1.7 Bn sq ft of land bank in countries of operation

Continents present in
Asia, Africa, Europe and North America

Global retail presence
>12 Mn sq ft GLA of malls and retail centres globally (9.7 Mn sq ft in Dubai)

Competition
#1 Rank amongst Real Estate Developers in MENA*

**By Forbes in 2021*

A premium international brand with high recall. We promise aspirational lifestyles and build vibrant communities by delivering spaces where every day living is a joy. Our customer first ethos drives our service standards.

2022 at a Glance

Financial performance

AED 35.1 Bn
(US$ 9.5 Bn)
Total property sales (including JVs/JDAs)

AED 53.2 Bn
(US$ 14.5 Bn)
Revenue backlog

AED 9.8 Bn
(US$ 2.7 Bn)
EBITDA

BBB-/Baa3
(with stable outlook)
Credit rating

Environment
3.16 MW
Renewable energy capacity in the UAE

Social
~AED 61 Mn
CSR expenditure

Governance
55%
Independent Directors on the Board of Directors

BB MSCI ESG Rating
as on February 2023

OUR INTEGRATED APPROACH

Our integrated thinking informs our strategy, governance, prospects and enables us to deliver consistent value to all our stakeholders.

We are driven by

Purpose

Our purpose is to be the most admired realty group globally, transforming the lives of our customers by delivering spaces that engage, excite and enrich. We ensure long-term income and wealth creation from the assets we create through our 360-degree involvement across asset lifecycles.

Vision
To redefine engineering excellence

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

Goal
To deliver sustainable long-term growth and value creation

Focusing on
Material issues
Page 42 ↗

Supported by
Governance
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Enabled by
Strategy
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With a consistent eye on

Risks
Page 106 ↗

Opportunities
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Creating a positive impact on

Environment
Page 56 ↗

Social
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For stakeholders

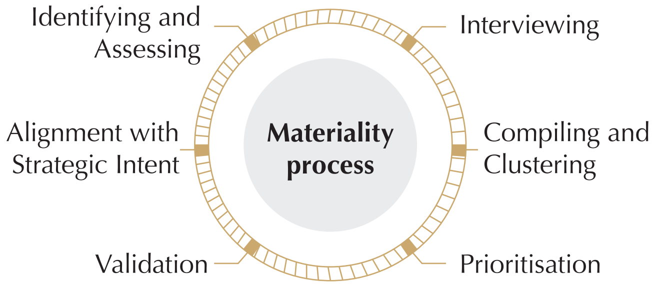
Investors | **People** | **Customers** | **Partners and Suppliers** | **Communities** | **Environment**

Integrated reporting and scope

This is our 2nd Integrated Report. It reflects our commitment to transparent stakeholder communication and setting high business standards. It provides our stakeholders with a concise yet detailed assessment of our ability to create sustainable value in the short, medium, and long term. The report focuses on Emaar Properties PJSC's performance, strategy, and challenges.

Materiality

We apply the principle of materiality in assessing what information should be included in our integrated report. Accordingly, this report focuses particularly on those issues, opportunities, and challenges that materially impact on the ability to create value in the short, medium, and long term.



Material issues 42 ↗

Reporting period

01 January 2022 → 31 December 2022

Scope and boundary

The report covers the strategic, financial, and non-financial performance of all Emaar Properties PJSC's business units and assets.

Reporting framework and standards

This report has been prepared in accordance with the following standards and frameworks:

- International Financial Reporting Standards (IFRS)
- International <IR> framework of the Value Reporting Foundation
- GRI 2021 Standards

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 the management's beliefs and opinions regarding the future so that they may use such beliefs and opinions as one factor in evaluating an investment.

Although forward-looking statements 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.

Feedback and suggestions

Feedback from our internal and external stakeholders helps and supports us to strengthen our practices and performance further. In case of feedback, reach out to:

Abhay Singhvi
Head - Investor Relations at Emaar Properties
Email: ASinghvi@emaar.ae

DELIVERING CONSISTENT PROGRESS

We connect with and impact a broad range of stakeholders. In 2022, we created a significant positive impact through our business. Our sustainable operations enabled us to make a difference in people's lives.

At Emaar, we prioritise customers and create value for all stakeholders by providing an aspirational lifestyle beyond dreaming big. Our dedication to quality and excellence ensures long-term value creation. Our unmatched expertise in building vibrant communities, coupled with our vision and ambition, delivers value and meaning to all our stakeholders.

Investors

Superior stakeholder returns through optimal utilisation of resources

~10%
Return on Capital Employed

AED 0.83
Earning Per Share (EPS)

Customers

Best-in-class products and services

99%
Customer complaints resolved (UAE)

4.64 out of 5
Customer satisfaction score (UAE)

People

Protecting and nurturing our employees

ZERO
Fire incident in Dubai

100%
Compliance to Emaar's HSSE standards (UAE)

Partners and Suppliers

Creating an inclusive ecosystem for partners

~AED 5.4 Bn
Value of projects awarded in the UAE

Communities

Empowering beneficiaries through our partnerships

~AED 61 Mn
CSR expenditure by the Group

Environment

Minimising our impact on the environment

68,473 MT
Waste segregated (UAE)

SHAPING THE TOMORROW WE DESIRE, TODAY

"Our balance sheet strength, robust cash flows and profitability, impeccable execution track record, and future-forward ideas will enable us to successfully navigate any headwinds that may arise."

Dear Stakeholders,

A new, post-pandemic world is upon us, where the way we live, work, and play has been permanently altered. Adapting to such changes calls for reimagining spaces with flexibility and wellness at their core. Our record sales of residences, high occupancy at our offices, hotels and malls, and a robust pipeline of highly anticipated projects testify to the attractiveness of our properties to our customers and investors alike, at home and abroad.

It also reflects their confidence in Dubai's future. Emerging quickly from the pandemic, Dubai has strengthened its credentials as a world-class city that offers safety, high quality of life and good governance, prompting people from across the world to align their aspirations with the nation's ambitions. Thanks to the visionary leadership of His Highness Sheikh Mohammed Bin Rashid Al Maktoum and progressive government policies, the United Arab Emirates (UAE) is looking forward to an exciting tomorrow.

Delivering strong performance

The efforts made by the government to diversify the UAE economy and enable Dubai to be a business-friendly city through progressive and pragmatic legislation make it easier for us to stretch the boundaries of possibilities and welcome enterprise to our shores. The UAE economy grew by 6.5% in 2022 thanks to a strong comeback in travel and tourism, business, retail, construction, and activities related to the Expo 2020 Dubai. Oil production also went up.

It was also an excellent year for the real estate market in the UAE, with sales and income reaching multi-year highs in many areas. A stable cost environment meant easing supply-side pressures, leading to faster execution and deliveries. We achieved property sales of AED 35.1 Bn, benefiting from both the macro tailwinds and strong demand for real estate, and reaping the fruits of the strategic measures put in place during the pandemic.

Our balance sheet strength, robust cash flows and profitability, impeccable execution track record, and future-forward ideas will enable us to successfully navigate any headwinds that may arise. Further, both our domestic and international markets are primarily driven by regional growth. More than 57% of our customers in Dubai are residents—and international markets continued to be strong.

2023: The year of sustainability

The UAE has undertaken extensive efforts in recent years towards driving sustainability in the country under the Dubai 2040 Urban Master Plan, and in alignment with the UAE Energy Strategy 2050, the Paris Agreement and the UN Sustainable Development Goals (SDGs). His Highness Sheikh Mohamed bin Zayed Al Nayhan, UAE President, has recently declared 2023 as the year of sustainability, to promote innovation so that relevant and need-focused solutions can be found that help to bridge the transition between the conventional and a more sustainability-oriented society. As one of the world's fastest-growing cities, Dubai has the responsibility to champion sustainability, which is one of the priorities for 2023 by His Highness Sheikh Mohammed Bin Rashid Al Maktoum, ruler of Dubai.

The Dubai government's 'Green Economy for Sustainable Development', announced in 2012, sets the direction for establishing the country as a model for the new green economy, strengthening competitiveness and preserving the environment for future generations. UAE will be hosting the COP28 conference in late 2023, and this will mark the coming together of a host of initiatives to achieve the UAE's Net Zero by 2050 strategic initiative.

Building future-ready Emaar

Emaar, as the largest integrated developer in the region and one of the largest globally, has been completely aligned with the Dubai 2040 Urban Master Plan which maps out a comprehensive plan for a sustainable urban development in Dubai. It focuses on enhancing people's happiness and quality of life and reinforcing Dubai as a global destination for citizens, residents and visitors over the next 20 years. With an aim to make UAE one of the world's best countries with sustainability conundrum, we have taken specific measures, such as eradicating single-use plastics and moving to biodegradable items in our hospitality chains. From our restaurants to our guest rooms and conference venues, all have been rendered plastic-free, leading to a substantial reduction in waste to landfills. At the overarching level, ideation is underway on how we could make our business green.

The sustainability challenge opens up exciting possibilities for doing things very differently and making the most of our developmental phase. Dubai, along with several other cities across Asia, Africa and Eastern Europe is in a state of developmental flux – with urban planning underway, and the built environment getting extended and modified constantly. There lies the immense scope for greater sustainability in the building materials we use, in energy optimisation, through the re-utilisation of materials and waste, and in better spatial and logistical design.

Reinforcing commitment

We remain committed to bringing luxury living to the world—defining high standards, and delighting customers with more than they desire. Our strategy of masterplan-led development and the unique mix of comfort, convenience, glamour, and entertainment that we offer is a blueprint for our international markets too. Across the regions where we are extending our presence, we are developing iconic properties that empower people to shop, eat, work, play and live in new ways. By blending great locations, excellent design, innovative technology and imaginative thinking, we hope to bring luxury living to more and more people.

Note of gratitude

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 wise counsel.

Jamal Bin Theniyah
Chairman

ONWARD TO NEWER HORIZONS

"Emaar's transformational growth agenda has advanced with scale and speed over the last year, owing to a number of significant transactions and strategic development projects which include substantial geographic and sector expansion across the platform."

Dear Shareholders,

If the previous two years were an indication of how resilient and well established our organisation is, then this year is all about affirmation and fresh starts. Now that the challenges of the pandemic are firmly behind us, we are witnessing the financial fruits of a robust recovery. There is widespread assurance and a sense of urgency to get things done. As in the years of the pandemic, our Rulers and the Dubai Government have been our guiding light, stimulating economic vitality through investment-friendly schemes, the most recent being the Golden Visa programme. With Dubai's commercial, trade, logistics, and tourism activities swiftly resuming to normalcy and its ambitious 'D33' agenda, the city's growth story remains as alluring and enduring as ever.

Strong financial performance

Our record performance this year bears out Dubai's continuing appeal to the millions who visit our city and professionals who choose to stay and build their lives here. Emaar continues to be the first choice among customers, which reflects in the Company's performance. This year, our newly launched projects have done exceedingly well with 98% of the units launched already sold, aggregating a Year-on-Year (YoY) increase in sales of 12%.

Consolidating the high-growth trend, this year Emaar Properties PJSC has reported group property sales of AED 35.1 Bn, revenues of AED 24.9 Bn and a net profit attributable to owners of AED 6.8 Bn. Recurring revenue operations continued to stay robust, comprising 36% of total revenues, while recurring EBITDA contribution has reached 53% of total EBITDA. Our property sales backlog of AED 53.2 Bn signals a very healthy financial position and secures our near-term prospects.

In the post-pandemic phase, Dubai has witnessed high international traveller footfalls and received the highest international tourist spending at US$ 29.4 Bn. This resurgence in the tourism sector is reflected in our hospitality revenues, which have grown by 25% YoY, while our Malls business recorded 8% YoY growth.

Emaar's transformational growth agenda has advanced with scale and speed over the last year, owing to a number of significant transactions and strategic development projects that have laid the groundwork for the company's accelerated execution of the said agenda, which includes substantial geographic and sector expansion across the platform.

Emaar Development

Our build-to-sell property development business achieved property sales at AED 30.7 Bn, marking an increase of 12% compared to 2021. Led by the resilience of the Dubai property market, we delivered 6,100 units in 2022 and ~9,000 units are in pipeline for delivery in 2023. Net profit attributable to owners of Emaar Development rose 17% to touch AED 3.8 Bn. Open spaces and waterfront locations remain the most preferred, with apartment sales accounting for the lion's share.

We continued to fulfil our commitments across many signature locations we have launched, with 6,100 units across our master plans like Dubai Hills Estate, Downtown Dubai, Emaar Beachfront, and other locations in Dubai being handed over to owners.

Our shareholders approved the landmark deal of fully acquiring Dubai Creek Harbour for AED 7.5 Bn in 2022, which sets the stage for another spread of stellar landmarks. The large land tract and the waterfront location on the banks of the historic Dubai Creek will give us ample scope to take the 'city-within-a-city' experience to new heights.

Emaar International

International markets continue to form a critical part of our growth strategy. Our masterplan-led, marquee project-centred development forms the foundation of our entry into high-potential markets. We will utilise our landbank of 1.3 Bn sq ft and look at mutually beneficial JVs and JDAs for large projects. We are also eager to take our recurring revenue businesses of malls, retail and hospitality to more countries, as their unique brand and service values will help strengthen Emaar's value proposition. Focused marketing efforts are underway in China, India, Saudi Arabia and a few other countries as we explore various options. This year our international business booked property sales of AED 4.3 Bn despite some of our primary international markets facing significant headwinds as a consequence of the current global economic situation. The performance of international operations was led by successful performance in Egypt and India.

Emaar Mall Management

Revenues from our Malls business saw a healthy increase of 8% on the back of Dubai emerging as a leading tourism destination. This was reflected in tenant sales growing by over 40% vis-à-vis pre-pandemic levels. Even our latest entrant—Dubai Hills Mall, a large regional shopping format launched in February 2022–achieved 91% occupancy within a mere span of 10 months from its launch. Our mixed retail format portfolio enables us to strategically position super regional, regional, speciality and community-integrated retail to meet a wide range of shopping and consumption needs. We have one of the industry's most diverse mix of brands and high-street retail with various product categories in the offering mix. This strategy has proved very effective and complements our mixed-use development-based business model.

We are constantly making sure that it remains a win-win situation for our lessees and us through active tenant and space management, with shorter and favourable lease terms and zoning and re-zoning of space to ensure consistent profitability. Our operational performance remains under constant watch, with efficient and low-cost operations being the norm. Customer-centred delivery of the retail experience is another area of strategic focus, and through our Dubai Mall App 2.0, we have taken definite steps. The app's proximity connectivity and data analytics help the customer in many ways, including better navigation to travel to and from the mall, along with judicious push incentives such as offers and loyalty benefits for heightened stickiness.

Emaar Hospitality, Entertainment, Commercial Leasing, and other operations

The strong rebound in Dubai's travel and hospitality industry powered our hospitality business. Our Hospitality revenues increased from AED 1.2 Bn in 2021 to AED 1.6 Bn in 2022, marking an increase of 25%. Average Daily Rate (ADR) and occupancy rates remained well above the market averages. While Dubai Tourism endorsed our hotels for the highest safety and hygiene standards, reassuring pandemic-weary travellers, several of our signature properties also received international attention. Net profit attributable to owners from the hospitality business jumped by 55%, reaching AED 494 Mn versus AED 318 Mn in 2021.

> Our record performance this year bears out Dubai's enduring appeal to the millions who visit our city and professionals who build their lives here. Emaar continues to be the first choice among customers. Our newly launched properties have done exceedingly well in Dubai with 98% of units launched already sold, aggregating a Year-on-Year increase in property sales of 12%.

Revenues from our Entertainment, Commercial Leasing and other businesses grew by 137% YoY, from AED 915 Mn in 2021 to AED 1.8 Bn in 2022, owing to the resurgence of tourism, increased footfalls, and resumption of normal business operation post pandemic.

Imperatives for the future

The charter for the future is to drive growth responsibly and sustainably. For instance, in our Arabian Ranches and Emirates Living properties, innovative technology like ultrasonic algae control devices have been introduced to reduce chemical usage for arresting algae growth. We have already put in place plans and strategies for reducing operational and embodied carbon. Our drive towards more sustainable operations aligns with Dubai's Green Vision, the UAE's external commitments, and the United Nations Sustainable Development Goals (UNSDGs).

We remain committed to running our organisation in a transparent and accountable way. Accordingly, our Board has approved a new dividend policy that proposes an increasing share of dividends linked to our performance and will make our stakeholders true partners in our success.

Poised for accelerated growth

The financial year we have just closed has been exceptional in many ways. We have seen tremendous growth in all our segments, with manifold increase in tourist traffic and a strong trade and commerce resurgence. These trends highlight Dubai's prominence as a growth magnet within the MENA, Asia and other regions. With the pandemic years now behind us, we ramp up our plans to make Dubai one of the most powerful metropolises of the world in line with Dubai Economic Agenda 'D33'.

Emaar is well poised to deliver on these high expectations. Taking luxury living to the world distinguishes us, and we now have a robust domestic and international pipeline of units under development, with several iconic retail, entertainment and development landmarks already rolled out or at the development stage. With a revenue backlog of AED 53.2 Bn to be recognised over the next 3-4 years, our balance sheet has significant cash flow built in.

With a strong balance sheet and comfortable credit matrices, we are well-placed to crystallise our ambitious plans for Dubai. As part of our de-risked approach, we will continue to explore larger collaborative ventures with GREs in the Dubai market, or via partnerships with prominent players in the international market. This will help us achieve larger scale, gain access to highly attractive land parcels and leverage a wide variety of skills.

At Emaar, we firmly believe that it is our responsibility to create structures that shape the dreams of our customers and the youth —to embrace human possibilities for now and into the future. Every business decision that we take seeks to fulfil this larger purpose.

Mohamed Ali Alabbar
Managing Director
Emaar Properties PJSC

ABOUT EMAAR PROPERTIES

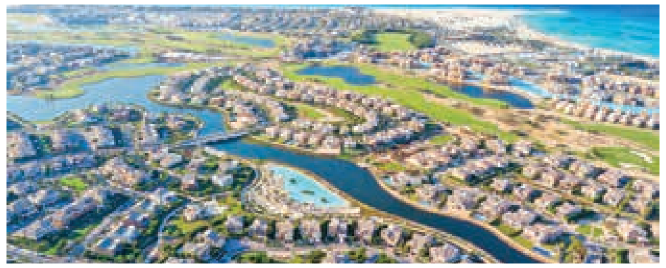
Emaar Properties PJSC (DFM: EMAAR) is one of the most premium and renowned realty developers in the world. The architect of modern Dubai, Emaar, has become synonymous with high-build quality, prime locations, superior maintenance standards resulting in exclusive lifestyles, high rental yields and robust RoI.

UNCOVERING PREMIER LIVING… COMPLETELY

As a broad-spectrum real estate conglomerate, we deliver a range of experiences to our users and multiple sources of value to our business clients. This year, the growth momentum has leapt ahead across almost all our businesses.

Emaar Development

Offering an unmatched experience to investors and home-owners alike

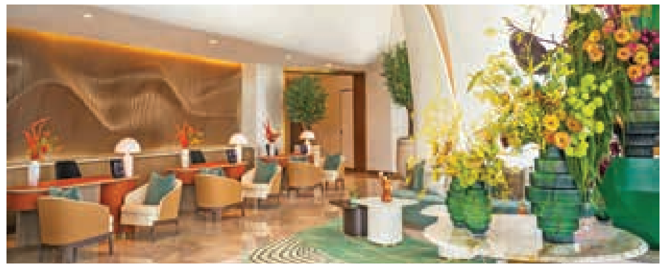


Emaar International

Present in markets with high growth potential

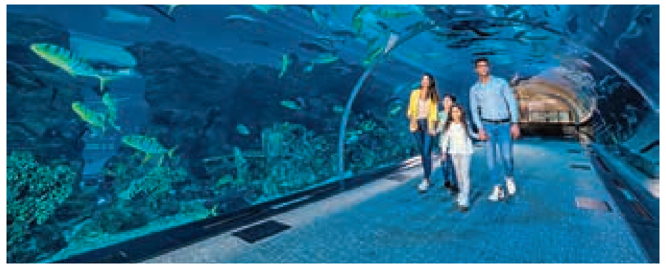
Emaar Malls Management

Focussing on premium retail destinations



Emaar Hospitality

Catering to a sizeable mix of domestic guests, and travellers from around the world



Emaar Leisure & Entertainment

Serving younger clientele and families seeking thrill and fun

Dubai's iconic landmarks are also our strongest assets. They are the magnets that draw people to Dubai, generating business across our verticals.

Dubai Fountain

The world's tallest performing fountain that enthrals all.

Dubai Opera

A multi-format theatre that uniquely brings alive arts and music, attracts famous performers from the world over.

Dubai Mall

Value proposition
One of the world's most visited malls, with 1,200+ stores and marquee global brands. A hard-to-beat retail and entertainment experience, with major tourist attractions.

Target market segments
From sophisticated, high-income visitors to thrill seekers, Dubai Mall has something for everyone.

Burj Khalifa

Value proposition
Iconic landmark offering exceptional experience through design, technology, and hospitality, redefining what's possible.

Target market segments
Luxury and high-end segments of tourists, residents, and tenants.

Address Hotels + Resorts

Value proposition
Luxury hospitality with iconic architecture, prime locations, stylish rooms, dining, and leisure facilities

Target market segments
Upscale travelers and business professionals seeking luxury and prime location.

We are constantly adding to Dubai's list of attractions and this year was no different.

**A Joint Venture with Meraas*

Dubai Hills Mall*

Value proposition
A premier lifestyle destination featuring a unique selection of retail, dining, and entertainment concepts stimulating one-of-a-kind experiences.

Target market segments
Affluent and high-end shoppers, tourists, business travellers, and expatriates from the region and beyond.

A GLOBALLY ADMIRED REAL ESTATE COMPANY

Emaar is one of the largest real estate players in the Gulf Cooperation Council (GCC) region – a group of countries that are projected to have a combined GDP of US$ 6 trillion by 2050. Partnering in the transformation of Dubai along with its visionary leaders, Emaar has been instrumental in turning the sandy stretches along the Arabian Gulf into the commercial, trading, tourism and entertainment hub that is the Dubai of today.

Within GCC, Dubai has been a growth engine, with 2022 seeing the strongest post-pandemic bounce back. The revival in oil demand, coupled with the expansion of the Golden Visa scheme and pickup in international business and tourism re-energised Dubai's real estate sector.

The resurgence in tourism and investor interest in Dubai has been reflected in Emaar's exceptional financial performance this year. Across our businesses, revenues have been consistently strong over quarters, helping to fuel further expansions, innovations and new launches.

Business segments

Emaar Development

Largest build-to-sell developers in MENA with a land bank of 346* Mn sq ft (including prime areas like Dubai Hills, Dubai Creek and others).

Total count of units delivered since 2002: 58,000+

Page 24 ↗

**Includes Lusaily land bank of Emaar Properties PJSC*

Emaar International

Taking forward our legacy of creating high-quality, residential, and commercial spaces with world-class features. We have an existing footprint in Egypt, Turkey, India and Pakistan with increasing regional presence in the GCC with the opening of Vida Hotel in Bahrain and planned opening of Reel Cinemas in Saudi Arabia and Bahrain.

Total count of units released/pipeline till date: 49,000+

Page 26 ↗

Emaar Malls Management

Wholly-owned shopping malls and retail arm. It owns and develops premium shopping malls and retail assets. More than 80% of our retail revenues are generated by the iconic Dubai Mall.

Total area of malls and retail centers: 12 Mn sq ft globally

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Hospitality, Entertainment, and Leisure & Commercial Leasing

Premier global provider of enriching, personal, and memorable lifestyle experiences across hospitality, leisure, entertainment, and commercial leasing.

Total number of hotels (including managed properties): 37

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Dubai: Amongst the Top 5 most visited places#

Emaar is well poised to capitalise on this upward trend and saw a 80% jump in net profit* on YoY basis, and a 10% increase over pre-pandemic levels.

Total international visitors

11.40 Mn
2022

4.88 Mn
2021

13.50 Mn
2019

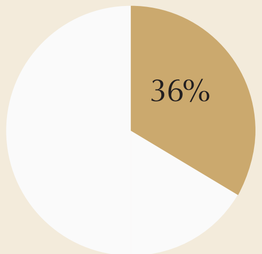
#Department of Tourism and Commerce Marketing, Dubai
**Attributable to Owners*

Gross Asset Value (GAV)

AED 211 Bn
Fair value

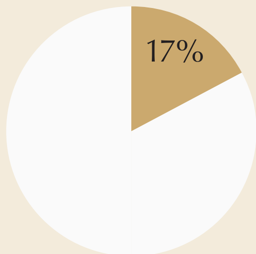
AED 132 Bn
Book value

We are a AED 51+ Bn diversified conglomerate



Recurring revenues

36% of our revenues from recurring rental businesses of malls, hospitality, leisure and entertainment



International development revenues

17% of our Group revenues from International Development operations (AED 4.2 Bn)

We are a trusted brand, 33% of our sales in the UAE are made to repeat buyers in 2022.

Emaar Properties in a snapshot

Financial strength

#1 in Revenue*
Ranked amongst Emerging markets (excluding China)

#1 in Net profit*
Ranked amongst Emerging markets (excluding China)

Sustainability

3.16 MW
Solar Power capacity in 2022 (UAE)

~24%
Female workforce in 2022 (UAE)

**As at 31st December 2022*

GOING PLACES WITH THE EMAAR BRAND

As the Dubai economy continued to diversify and grow, bucking recessionary trends in other major world markets, Emaar benefited both from investor and end-user demand by virtue of its dominant position. Our premium offerings led to a steady offtake across segments. We continue to consolidate our presence in key international markets.

Market leader in Dubai's Real Estate Development space

9,000+ units
Sold this year

27,000+ residences
Currently under development in UAE

58,000+
Residential units delivered

International footprint

AED 4.3 Bn
(US$ 1.2 Bn)
International property sales in 2022

17%
Revenue contribution to Group revenue

International credentials
Sizeable mix of clients

1.3 Bn sq ft
Access to premium landbank

45,000+
Units sold since inception

33,000+
Units delivered since inception

Key focus countries

Country	Units released	% Sold of units released	% Unsold of units released
Egypt	16,700+	98%	2%
India	25,900+	90%	10%
Pakistan	3,200+	90%	10%
Turkey	1,300+	100%	
Saudi Arabia	1,000+	88%	12%

■ % Sold of units released
■ % Unsold of units released
■ Units released

GROWING AND PROGRESSING

We continued our growth momentum driven by robust property sales and a steady performance of our recurring revenue business.

AED 24.9 Bn
(US$ 6.8 Bn)
Revenue

AED 53.2 Bn
(US$ 14.5 Bn)
Property sales backlog translating into prospective revenues

80% Increase
2022
Net profit*

18% Increase
2022
EBITDA

**Attributable to Owners*

Emaar Development

AED 30.7 Bn
(US$ 8.4 Bn) 2022
Worth of property sales

12%
YoY growth
2022

Hospitality, Leisure, Entertainment & Commercial Leasing

AED 3.4 Bn
(US$ 929 Mn)
Revenue

57%
YoY growth

24%
YoY increase in ADR
2022

Malls

21% 2022
Growth in EBITDA

99% 2022
Occupancy rate of Dubai Malls, Emaar Malls Management's prime asset

Dubai Creek Harbour
Acquired Dubai Creek Harbour for AED 7.50 Bn, in a 50:50 cash to equity split.

The development is along the historic Dubai Creek waterfront and carries attractive profit opportunities. This beautiful waterfront location will give us a chance to fulfil the existing demand for water-facing living spaces, and to recreate the heightened luxury that Emaar is well known for.

Dubai Hills Mall
We started operations at Dubai Hills Mall in 2022. It is part of the Dubai Hills Estate masterplan which spans over 118 Mn sq ft with 2,000+ villas and 20,000+ apartments.

Strategically positioned near upcoming residential communities, as well as thriving existing ones, the mall has 550+ retail outlets, and carries strong growth potential.

The Views at Emaar Oceanfront
North Tower, The Views at Emaar Oceanfront was launched during 2022 in Karachi, Pakistan.

Nestled along the Arabian Sea coastline, the Oceanfront includes a mix of ultramodern residential, retail and hospitality destinations, recreation spaces, and business hubs.

EMAAR DEVELOPMENT

From waterfronts to golf greens, promenades to skyline views, and high-street designer villas to serviced apartments, our residencies offer users a wide berth to fulfil their desires. Our focus is on delivering premium living experiences and, in the process, redefining 'living in Dubai'.

Creators of:

- Downtown Dubai
- Dubai Creek Harbour
- Emirates Living
- Dubai Hills Estate
- Arabian Ranches
- Emaar Beachfront
- Emaar South
- Dubai Marina

This year, we delivered over 6,100 residential units in prime locations.

How the business performed

During the year, the business recorded its record property sales on the back of post-Covid revival in business and investor interest and a high growth multiplier within the GCC region. Our sales figures saw a 12% increase to AED 30.71 Bn in property sales compared to the previous year. In addition, our revenue was AED 11.5 Bn and our EBITDA was AED 4.2 Bn. Our net profit* increased by 17% to AED 3.8 Bn.

Our ability to deliver an exceptional experience continues to translate into our performance. 98% of our projects under construction have been sold. Emaar Development has a robust property sales backlog of AED 41.3 Bn (including JVs/JDAs), which will be recognised as revenue over the next 3-4 years.

Key numbers

~1% of sales value
Default rate

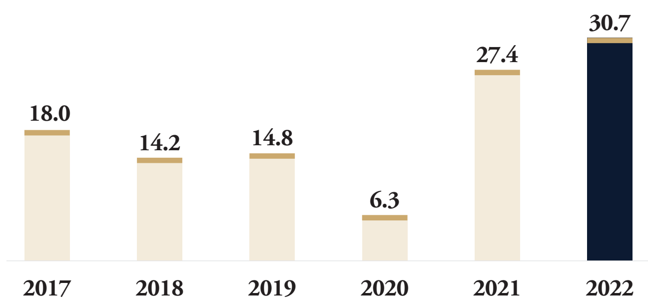
AED 41.3 Bn Sales backlog
Translate into future revenues

~346 Mn sq ft
Land bank#

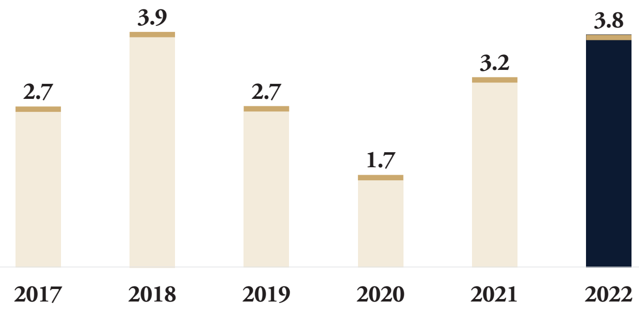
~333 Mn sq ft GFA
Future launches#

#Includes Lusaily land bank of Emaar Properties PJSC

Property Sales (In AED Bn)



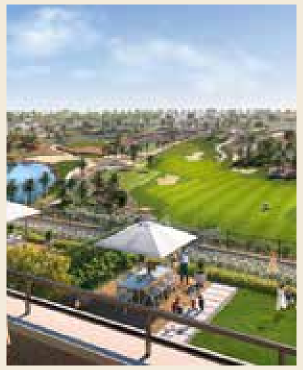
Net Profit* (In AED Bn)



*Attributable to Owners

EMAAR INTERNATIONAL

Uptown Cairo

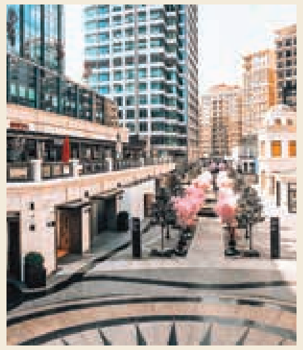


A gated, mixed-segment development located at the centre of Cairo, Egypt and placed at a higher elevation than the city

Marbella

Signature Spanish villas designed to provide a luxurious lifestyle experience with schools, hospitals, and business centres nearby.

Emaar Square



Emaar Square is a mixed-use development, consisting of world-class luxury residences, one of the largest malls in Turkey spread over 1.6 Mn sq ft boasting luxury brands and various family entertainment centers, a premium five-star Address Hotel and high-grade commercial office towers.

Emaar Oceanfront

A signature integrated masterplan development spread over 75 acres of Karachi's oceanfront; this is Pakistan's only luxury property cluster by the sea.

Replicating our Dubai strategy in key international markets spread across MENA and South Asia, we are developing strong land banks, following integrated masterplan-led development and creating iconic retail and leisure assets. Acknowledging the diversity of different international markets, Emaar is also pragmatically tailoring its products to address discrete demand segments within local markets.

International development - land bank details

Land bank in key international market	Gross land area (Mn sq ft)
India (Emaar India)	141.4
Egypt	46.3
Pakistan	10.1
Saudi Arabia (Emaar Middle East)	2.2
Lebanon	2.0
Total	**202.0**

How the business performed

Our international real estate operations recorded AED 4.3 Bn (US$ 1.2 Bn) in property sales and AED 4.2 Bn (US$ 1.1 Bn) in revenue, representing 17% of Emaar's total revenue. International operations are an important part of how we plan to grow in the future.

Key numbers

Presence in
10
Targeted high-growth countries

202 Mn sq ft
Land bank in key international markets (excluding 1.1 Bn sq ft in Emaar, The Economic City in Saudi Arabia)

33,000+
Units delivered since the start of international operations

AED 4.3 Bn
Property sales achieved during 2022

AED 11.8 Bn
Revenue backlog from property sale to be recognised over the next 3-4 years

Nearly 11,000 units are set to be delivered in our international markets over the next three years. About half of these will be in Egypt.

EMAAR MALLS MANAGEMENT

Emaar Malls Management, a wholly-owned subsidiary of Emaar Properties PJSC, helps to make us one of the largest and most integrated real estate companies in the MENA region. The 'Jewel in our Crown' is Dubai Mall, one of the most visited malls in the world, with over 80 Mn visitors every year. Quickly recapturing pre-Covid traffic levels, Dubai Mall is currently at a 99% occupancy rate and serves as the model for our retail expansions both in the domestic and international markets.

9.70+ Mn sq ft

GLA in retail is being managed in Dubai

Building on our strategy of creating high-attraction zones, Dubai Mall offers a series of immersive entertainment avenues

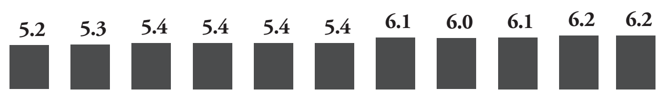
1. Dubai Aquarium & Underwater Zoo featuring one of the world's largest acrylic viewing panels
2. KidZania, a children's edutainment centre
3. Reel Cinemas, UAE's home-grown chain boasting the nation's largest 26-screen megaplex and different viewing experiences
4. Play DXB, a mix of VR attractions and Arcade Zone park spread over 75,000 sq ft
5. Dubai Ice Rink, an Olympic-sized ice-skating rink and events venue

How the business performed

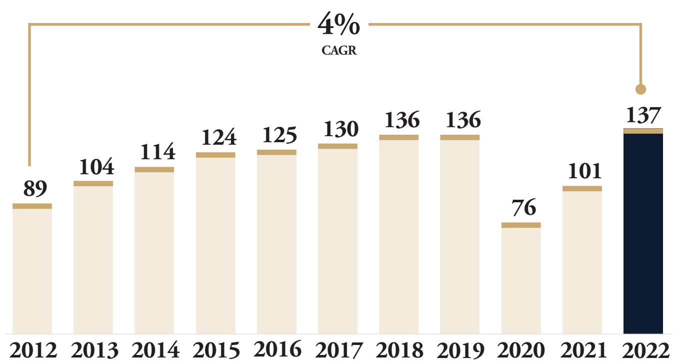
Emaar Malls continues to be a source of financial strength for the Group. We achieved 8% YoY growth in 2022 revenues reaching AED 5.4 Bn. Our revenue growth was outmatched by our profitability, which registered a YoY growth of 41% and stood at AED 2.5 Bn.

Our robust occupancy rate (97%) was achieved in a challenging market, and our malls remain attractive for sellers due to their strategic locations. Our tenant sales surpassed 2019 levels, growing by over 40% compared to 2019.

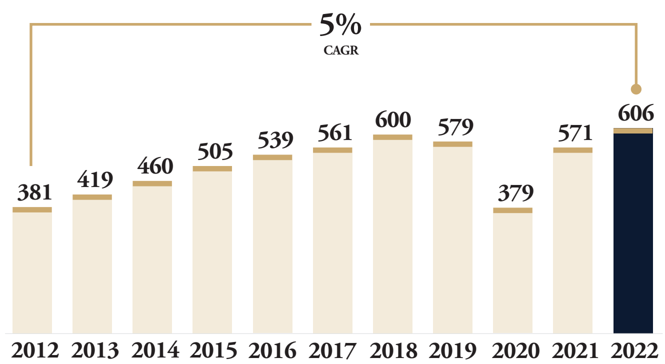
Main Units GLA (Mn Sq Ft)



Robust Growth in Footfalls...



Along with Steady Increase in Rent psf. (In AED)



Note: The above graph includes retail portfolio owned by Emaar Malls Management and excludes managed retail spaces.

Newly launched

DUBAI HILLS MALL

+ 1.80+ Mn sq ft GLA
+ Differentiated offerings with over 500 retail outlets and 7,000 parking spaces

Digitalisation: Making the best even better

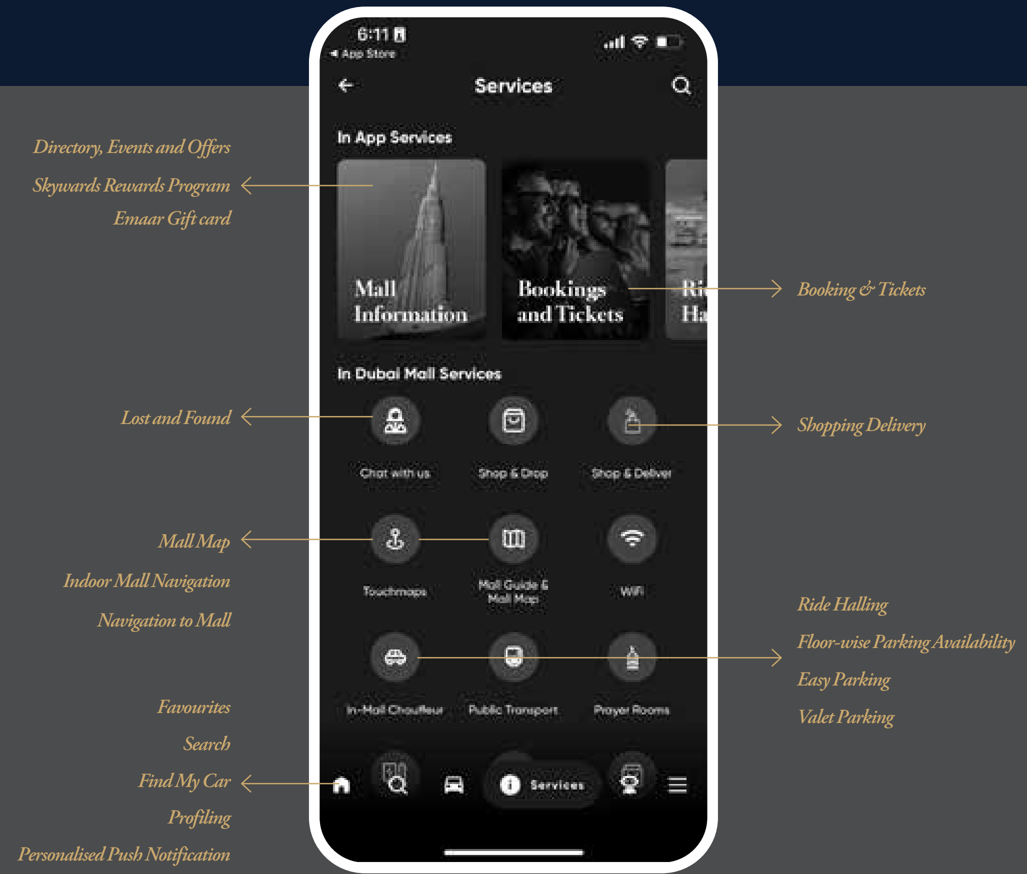
Customer centricity is central to delivering exceptional experiences in our malls. In 2022, we introduced several digital initiatives that would make our customers' mall experience delightful. These include:

More customer service-focused features on Dubai Mall App

Leveraging data and analytics for much greater personalisation of information and offers.

Dubai Mall App 2.0

CORE features



HOSPITALITY, LEISURE AND ENTERTAINMENT

ADDRESS
HOTELS + RESORTS

VIDA
HOTELS AND RESORTS

Al Alamein
Hotel

Emaar Hospitality owns and manages a portfolio of hospitality assets and brands. These include Address Hotels + Resorts, Vida Hotels and Resorts, Armani Hotels, Rove Hotels (JV with Meraas) in addition to serviced residences and leisure clubs.

Address Hotels and Resorts is a super-premium brand catering to business and leisure travellers and is sharply focused on providing unmatched luxury. With carefully curated experiences that are multi-sensory in their appeal, the brand currently operates 15 properties across the Dubai and the MENA region.

Vida Hotels and Resorts is focused on the business, leisure and group travellers and brings together a combination of smart design, high technology and ease of living within its environs. Located in key business districts and popular destinations, easy access is a key benefit for this brand.

With the hospitality portfolio, we also operate a suite of leisure sports clubs and these are the Dubai Polo and Equestrian Club, Dubai Marina Yacht Club, Montgomerie Golf Club, Arabian Ranches Golf Club and Dubai Hills Golf Club (JV). Appealing to the discerning sports lover, these sports clubs help to carry forward the region's sporting traditions while also providing world-class facilities for users to up their game.

Properties that define us

Emaar Hospitality

Address Hotels + Resorts

15 Hotels | 2,600+ Keys

Vida Hotels and Resorts

8 Hotels | 1,400+ Keys

Armani Hotels

2 Hotels | 250+ Keys

Rove Hotels (JV with Meraas)

9 Hotels | 3,400+ Keys

Dubai Polo and Equestrian Club

One of the world's largest viewing panels

Arabian Ranches Golf Club

The elegant Spanish Colonial Clubhouse features Ranches Restaurant that offers stunning views of the 9th and 18th greens

Dubai Marina Yacht Club

Offering the ultimate yachting experience, this boater's haven magically transforms at night into a vibrant, bustling waterfront

Emaar Leisure and Entertainment

A format of offering experiential entertainment alongside other retail/hospitality options has been adopted

Launch of The Storm Coaster, situated in Dubai Hills Mall, which is the world's fastest vertical-launch roller coaster

Launch of the Skyviews Observatory and Edge Walk at Hotel Address Sky Views

Launch of Discovery Centre, Aquarium & Underwater Zoo, Family Entertainment Centre, Ice Skating Rink, Mega Movie Theatre at the Emaar Square Mall in Turkey

Opening of the world's fastest vertical launch rollercoaster

How the business performed

Our hospitality, leisure, entertainment and commercial leasing business continued to be resilient and outperformed the broader market in the UAE. It achieved record revenues of AED 3.4 Bn and grew over 57% in 2022, compared to the previous year.

The hospitality business displayed a robust post-pandemic recovery, which was visible across the UAE economy. We achieved strong ADRs and average occupancy levels of 69% in the UAE during the year. ADR growth and cost control countermeasures helped our hospitality business achieve a record EBITDA margin of 50% in 2022 which is significantly higher compared to the pre-pandemic period. Currently, we have 37 hotels (including JVs) with over 8,100 keys and a healthy pipeline of 29 hotels under development, of which more than 2/3rd are under management contracts. In 2022, we achieved the historic milestone of reaching 60 hotel projects in our portfolio (including both in-operation and under-development hotels).

Our bouquet of offerings in this business segment greatly strengthens and complements our other business verticals. While our entertainment assets function as a crowd puller, and help to generate footfalls, the hospitality and leisure verticals bring alive the experiential luxury and innate sophistication that Emaar stands for. Cumulatively, these aspects build a very strong foundation for growth.

Key numbers

13%
Contribution to group revenue

69%
Average occupancy rate in the UAE

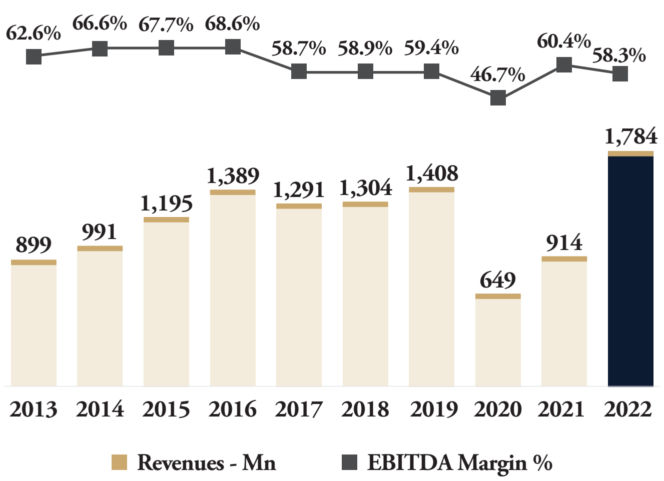
37
Operating hotels and JV hotels

Over 8,100
Total keys across hospitality portfolio

2.4 Mn sq ft
Commercial leasing space in Dubai

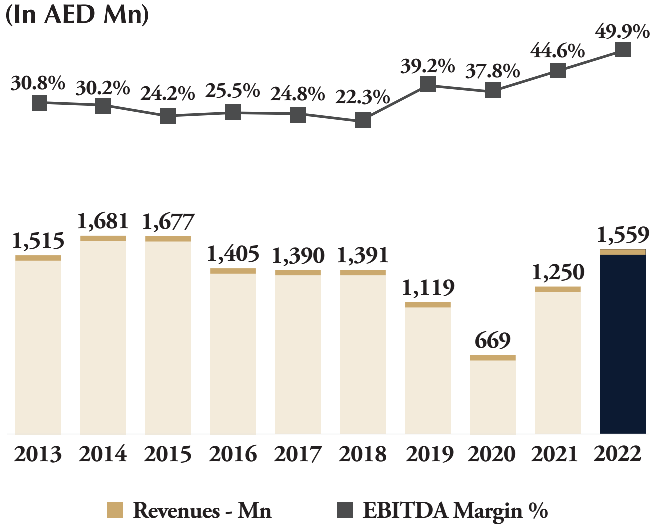
Entertainment & other business

Robust growth and superior margins (In AED)



Hospitality business

Resilient and profitable (In AED Mn)



Our suite of exciting new launches in Dubai

Vida Dubai Marina Yacht Club

158	362
Hotel keys	Branded apartments

Address Grand Creek Harbour

223	794
Hotel keys	Serviced apartments

VALUE CREATION AT EMAAR

To achieve our purpose, we need to understand our stakeholders. We believe proactive and positive stakeholder engagement helps to secure our long-term success.

DELIVERING STRONGER OUTCOMES

CAPITALS	INPUTS		OUTCOMES	
FINANCIAL	Development properties of Emaar Group	AED 42.2 Bn	Revenue	AED 24.9 Bn
	Investment properties of Emaar Group	AED 22.7 Bn	Net profit^	AED 6.8 Bn
	Bank balances and cash	AED 18.3 Bn	RoCE	10%
	Gross debt	AED 14.5 Bn	Credit Rating (With Stable Outlook)	BBB-/ Baa3
	Total equity	AED 75.4 Bn		
MANUFACTURED	Total land bank	1.7 Bn sq ft	Units delivered in the UAE since inception	58,000+
	Units under construction (27,000+ in UAE and 9,600+ international)	36,600+	International units delivered since inception	33,000+
	Value of projects awarded*	~AED 5.4 Bn	Average occupancy rate of hospitality business*	69%
			Average occupancy rate of Malls portfolio*	97%
HUMAN	Total employees across UAE, Egypt, Turkey, India and Pakistan	6,900+	Diversity ratio*	24%
	Total hours of training conducted*	56,000+ hours	Women in leadership position*	25%
	Diversity and inclusion important aspects of hiring		Incidences of serious injury*	2
	Specialised domain training		Compliance to Emaar HSSE standards*	100%
			Lost Time Injury Frequency Rate*	0.014
SOCIAL AND RELATIONSHIP	Active suppliers*	700+	Customer satisfaction score*	4.64 out of 5
	CSR expenditure by the Group	~AED 61 Mn	Total customer grievances resolved*	99%
	Emaar One and Customer Happiness centres to address customer concerns		Supplier compliance to code of conduct	
NATURAL	Established Emaar Energy Management process to reduce energy usage		Waste segregation rate*	34%
	Renewable energy capacity*	3.16 MW	Renewable energy production*	4.95 GWh
	Total energy consumed*	650.42 GWh	GHG equivalent avoided*	2,002 MTCO$_2$eq
	Total water consumption*	3,035,938 kL		
	Total District Cooling Energy consumption*	788.24 Mn TRh		

VALUE CREATION PROCESS

Strategy

Maintain leadership

Focus on execution

Maximise stakeholder returns

Page 48

Outputs

Emaar: A reflection of Dubai

Direct impact on Dubai's economy

>15%
Contribution to Dubai's property supply#

Representing Dubai's diversity

42%
Emaar's customers are expats

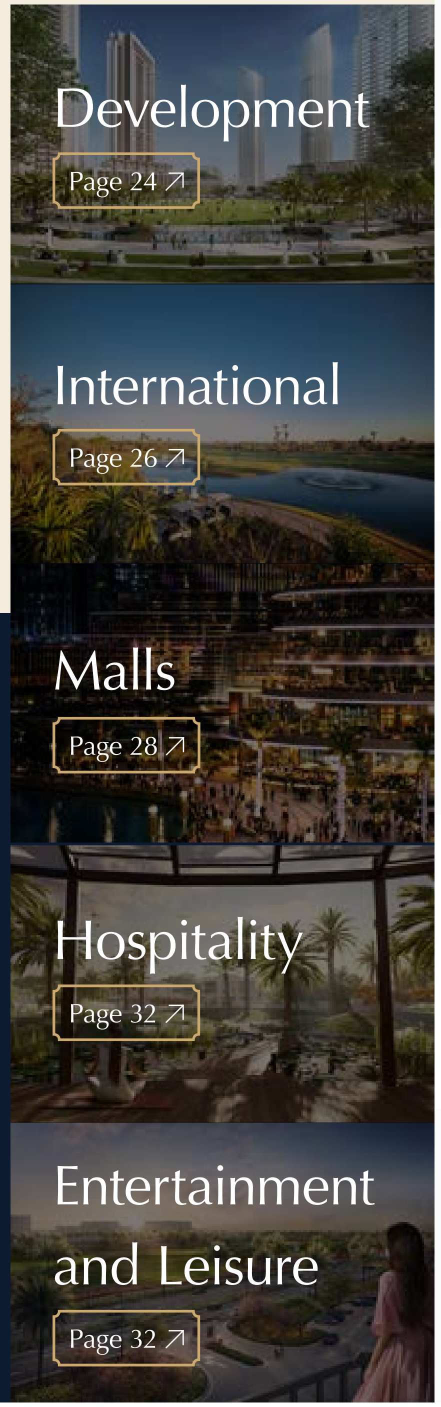
Projects completed

6,100
Units delivered in 2022

Co-products

204,240.25 MT
Total waste generated (UAE)

Our Businesses



SDGs IMPACTED

Financial stability | Implementing our strategy | Building stakeholder trust = Long-term value

*All figures mentioned are for UAE #DXB interact

^Attributable to Owners

UNDERSTANDING NEEDS AND EXPECTATIONS

To achieve our purpose, we need to understand our stakeholders. Proactive and positive stakeholder engagement helps to secure our long-term success.

Investors

Why are they important to us?

Investors provide capital to the business, as well as valuable feedback on our financial and strategic performance.

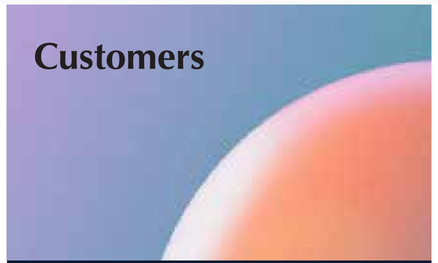
How do we engage with them?

Formal results presentations every quarter of the financial year. We hold an AGM every year.

Their most material issues

- Economic/environment
- Business ethics, integrity, transparency, bribery and corruption
- Risk management
- Reputation, communications and awareness
- Long-term management of assets

Customers



Why are they important to us?

Serving our customers is the reason we exist. At the core of Emaar's culture is meeting the needs of all our customers.

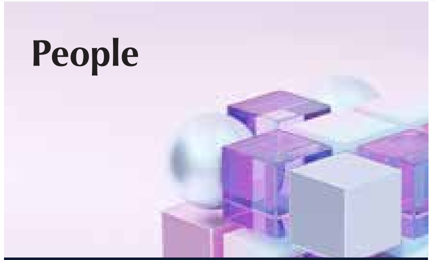
How do we engage with them?

Through regular contact via various digital and offline mediums to understand what is important to them, and evaluate the service we provide.

Their most material issues

- Reputation, communications and awareness
- Customer privacy
- Data security
- Product quality and safety

People



Why are they important to us?

Our people put our strategy into practice, live our culture, and enable us to achieve our purpose. Ultimately they create value for our stakeholders.

How do we engage with them?

We use our relevant employee forums, alongside relevant training and development programmes.

Their most material issues

- Labour practice and employment
- Training and skill development
- Employee health and safety
- Data security

Partners and Suppliers

Why are they important to us?

Their vital contributions to our business range from providing services and advice, through to granting the planning permission and approvals that allow us to run our business.

How do we engage with them?

We work to find mutually effective ways to communicate and collaborate with each group. The highest standards of health, safety and security underpin everything we do.

Their most material issues

- Labour practice and employment
- Environment compliance

Communities

Why are they important to us?

We want our buildings and activities to have a positive impact on the local communities. To achieve this, we need to have good relationships and understand the needs of locals.

How do we engage with them?

We consult local communities ahead of all development activity, and maintain the relationships following completion.

Their most material issues

- Environment compliance
- Energy management and renewable energy usage

IDENTIFYING WHAT MATTERS THE MOST

Our materiality assessment helps us evaluate ground realities, better understand the external environment and align our priorities pragmatically. These periodic exercises lend authenticity and knowledge to our business view, improving our ability to create value.

We conducted a materiality analysis to manage risk effectively, identify opportunities for long-term value creation and strengthen the objectives underlying key initiatives.

Identifying and assessing

Based on SASB and GRI guidelines

Megatrends impacting business context

Interviewing

Internal stakeholders - senior management, employees, etc.

External stakeholders - investors, vendors, etc.

Compiling and clustering

Compile a list of potential issues

Cluster the issues into six categories

Materiality analysis

Prioritisation

Prioritise issues based on stakeholder feedback and their importance to stakeholders

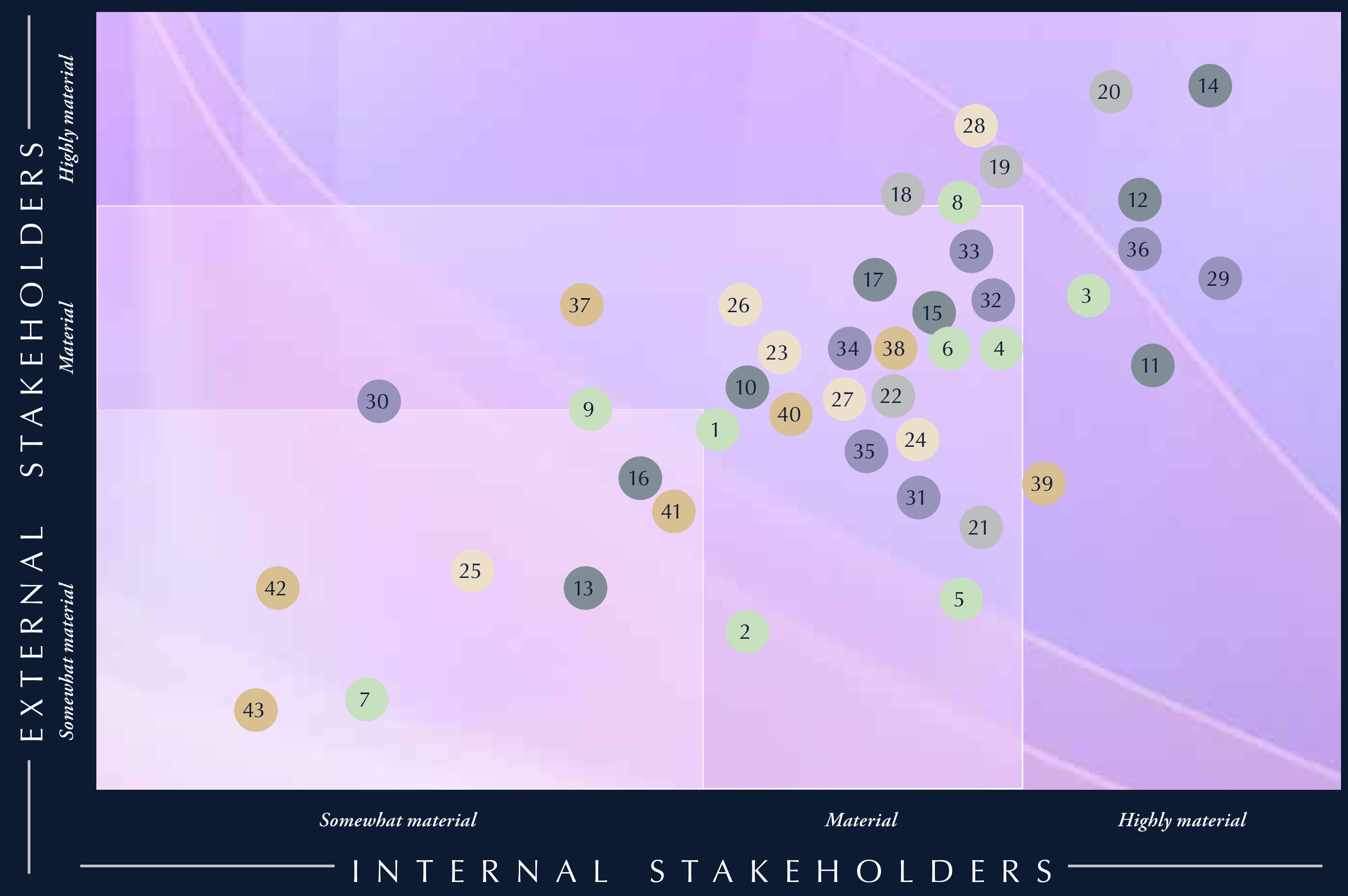
Validation

Finalise topics with a validation process with senior management

Alignment with strategic intent

Integration of prioritised material issues into strategy and risk management process

Materiality map



ENVIRONMENT CAPITAL

1 Climate change mitigation & adoption
2 Air pollution control & toxic emission management
3 Energy management & renewable energy usage
4 Water management
5 Effluent/wastewater management
6 Waste management
7 Biodiversity management
8 Environment compliance
9 Natural resources conservation (soil, air and water)

HUMAN CAPITAL

18 Labour practice & employment
19 Training and skill development
20 Employee health & safety
21 Staff succession planning
22 Employee engagement, diversity & inclusion

LEADERSHIP & GOVERNANCE

29 Business ethics, integrity, transparency, bribery & corruption
30 Renewable energy generation
31 Competitive behaviour
32 Management of the legal & regulatory environment
33 Risk management
34 Grievance redressal of stakeholders
35 Responsible investment
36 Reputation, communications and awareness

SOCIAL CAPITAL

10 Human rights
11 Customer privacy
12 Data security
13 Access & affordability
14 Product quality & safety
15 Customer welfare
16 Charitable giving
17 Social development & community involvement

BUSINESS MODEL & INNOVATION

23 Product design & lifecycle management
24 Business model resilience
25 Access to capital (customers & business)
26 Supply chain management
27 Material sourcing efficiency - availability & responsible sourcing
28 Long-term management of assets

ECONOMY

37 Commodity price volatility
38 Economic/financial crises
39 Economic/pandemic crises
40 Capital values
41 Employment trends/diversification
42 Revenue account surplus
43 Political change and uncertainty

LEVERAGING RESOURCES FOR A BRIGHTER FUTURE

	Material issues	How are we responding
ENVIRONMENTAL	**Energy management and renewable energy usage**	We have implemented energy conservation measures and sustainability initiatives at operational assets, such as replacing high power consuming conventional lights with LED, downsizing power consuming equipment to suit facility requirements and optimising operations, and implementing demand-controlled ventilation in HVAC. Creating awareness among the residents on the environmental impact of building operations and encouraging their involvement in reducing energy consumption by introducing campaigns like "Kill the Bill" gamification campaign in the UAE.
ENVIRONMENTAL	**Environmental compliance**	We are taking tangible steps to reduce our carbon emissions and reliance on fossil fuel. Investing in solar energy, pushing for innovative building designs, deploying advanced building energy management systems, monitoring energy efficiency, and implementing holistic building management systems. We also encourage waste segregation and recycling, and set targets for sustainable development initiatives such as certified buildings, e-vehicle charging access and bike parking. Our goal remains to create spaces that balance urban life with nature.
SOCIAL CAPITAL	**Customer privacy**	Our IT department scans for cyber security trends, and is mindful of personal data protection guidelines. Robust IT security measures, combined with a holistic approach, enhance our market standing. IT response plans are tested and benchmarked against best industry practices to prepare for future threats.
SOCIAL CAPITAL	**Data security**	We prioritise data security with utmost sincerity. We constantly assess our existing security policies, procedures, and technologies. Additionally, we determine the current level of risk and any potential threats. Finally, we ensure data security measures are regularly monitored and updated in order to ensure that the data remains secure.
SOCIAL CAPITAL	**Product quality and safety**	+ Supplier pre-qualification + Health and Safety Policy is part of the tender documents which are shared with suppliers + Supplier performance survey + Supplier warehouse audit (F&B - EHG) + Mystery shoppers + Product quality assurances process
HUMAN CAPITAL	**Labour practice and employment**	We adhere to strict ethical labour practices and prioritise the welfare of our employees. We promote diversity and inclusion and provide a safe and healthy work environment. We continuously strive to create a positive and supportive workplace culture that encourages growth and ensures safety for all our employees.
HUMAN CAPITAL	**Employee Health and Safety (H&S)**	As a developer and major property owner with vast operations, we are exposed to environmental, health, and safety (EHS) risks arising from our operations. To minimise the environmental and health and safety impacts on our key stakeholders, we have implemented comprehensive and targeted measures. These measures are aimed at reducing potential risks and protecting the health and safety of everyone involved.

	Material issues	How are we responding
HUMAN CAPITAL	**Training and skill Development**	The development of our employees' potential is a top priority. To this end, we invest significantly in employee training and development programmes. Moreover, we place a strong emphasis on conducting performance and career development reviews for all members of our workforce.
BUSINESS MODEL & INNOVATION	**Long-term management of assets**	We operate our businesses with utmost efficiency and precision, leveraging our considerable market insights to maintain a sustainable and robust demand for our assets and developments. We are highly proactive in our management of properties and infrastructure to ensure that our facilities continually remain operational and efficient and contribute to the long-term success of our organisation.
LEADERSHIP & GOVERNANCE	**Business ethics, integrity, transparency, bribery and corruption**	Emaar has established dedicated policies and processes to govern key business ethics and behaviours. These include comprehensive policies for code of conduct, anti-fraud, and anti-bribery and corruption. Emaar also has a dedicated whistle-blower line for both internal and external stakeholders. Adequate controls are also in place across the 3 lines of defence, where oversight is provided by internal audit programmes and board-level Audit Committees.
LEADERSHIP & GOVERNANCE	**Reputation, communications, and awareness**	We gather feedback from retailers and visitors to keep up with changing customer expectations. Through active dialogue with our partners, we aim to maintain long-term relationships. Our Supplier Code of Conduct guides our interactions with suppliers, and we invest in developing our employees' skills and potential. We also consider shareholder perspectives in our strategy and communication to attract long-term investors who support our business.
LEADERSHIP & GOVERNANCE	**Risk management**	Emaar has adopted a comprehensive enterprise-wide risk management (ERM) framework that integrates both external best practices, business objectives, and other internal elements unique to the organisation. This embedded risk management approach is designed to be a collaborative process that utilises the 3 lines of defence methodology. Our risk management process is monitored by an established Board-nominated Risk Committee and is supported by a dedicated ERM team.
ECONOMY	**Economic/Business environment**	Our risk committee reviews the business environment to assess the likelihood and significance of risks. We continuously monitor key economic indicators such as GDP, and employment rates among others. We monitor our business plans against a potential downturn in the 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.

OUR STRATEGY

As one of the world's leading real estate developers, we are conscious of the responsibility it carries. The balancing of growth with a small carbon footprint and minimal resource consumption are integral to our daily operations.

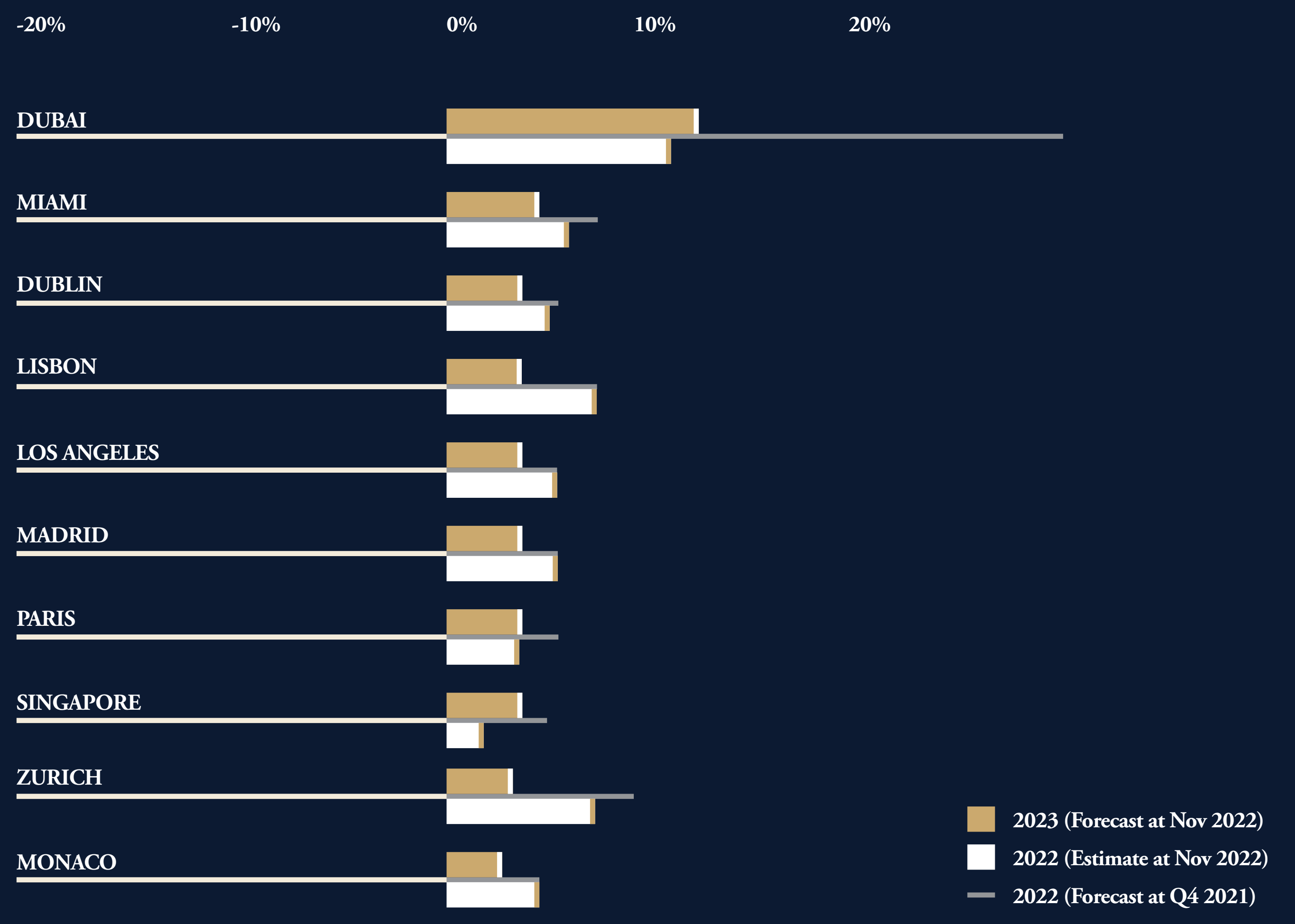
TOWARDS THE FUTURE, WITH MEASURED STEPS

Reducing our risk profile, leaning towards a more sustainable growth will be some of our key priorities as we spread our operations across the UAE and beyond.

If this year's results are any indication, the Dubai market is experiencing a bull run. Dubai's residential properties offer excellent returns to investors and end users, as their prices remain affordable despite Dubai's world-class facilities, general safety, stable government, and cosmopolitan atmosphere.

As per global property consultancy Knight Frank's 2023 Prime Prediction Report, Dubai's prime residential prices should see a 13.5% increase – the highest in the world. Expats and HNIs are expected to pick up underpriced luxury residential properties, triggering a positive spiral of consumption spending.

Prime price forecast



Against this backdrop, our strategy is for consistent growth with a focus on de-risking and consolidation.

Consolidate and prepare for the next growth phase

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

Development strategy

Leverage the strength of master developments
- To launch new projects
- Provide a 'city within a city' experience to our customers

De-risking exposure, development through JV/JDAs
- Utilise our position as the preferred development partner for GREs to access premium land through JV/JDAs
- Conserve cash for the judicious purchase of prime land

Well-planned execution and delivery
- Ensure timely completion of projects under development and maintain a healthy cash flow generation

Product innovations
- Differentiated offerings for millennials
- Provide optimised unit sizes and larger community facilities
- Wider range of offerings across our business divisions

Marketing to international customers
- Expansion and penetration of the Emaar brand and value proposition with a clear marketing strategy

Retail growth strategy

Leverage superior asset mix
- Offer a diverse retail experience
- Keep excitement high through constant innovation and improvements
- Complement retail assets with unique entertainment attractions

Maintain quality and profitability of retail assets
- Prudent management of lease payment risk
- Maintain flexible lease terms and strong collection rates with active tenant management

Operate a low-risk model
- Focus on rental income growth and cash flow generation
- Execute extensions and innovations at existing assets

Robust retail space growth
- Leverage our master developments to expand community retail centres
- Expand mall portfolio by acquiring or operating third-party assets in Dubai and internationally

SETTING CONSCIOUS PRECEDENTS

Aligning with UAE's Ambitions for a Better World

UAE Net Zero 2050

The Dubai Economic Agenda D33

Dubai 2040 Urban Master Plan

Paris Agreement

UAE Green Agenda 2015-2030

Aligning with Sustainable Development Goals

Through the work that we do every day, and through focused purpose-driven initiatives, our commitment towards the UN Sustainable Development Goals permeates every sphere of business. We have linked our material issues to our business strategy. We have identified 10 UNSDGs as being the most relevant for our businesses, and our work processes drive impact towards these, each day.

Environment

Social

Governance

Sustainability integration into our future development strategy

Material issues 42 ↗

In 2022, we sharpened our focus on ESG issues. We are in the process of formulating a sustainability strategy that will reduce our carbon footprint, increase the use of recycled materials and alternatives in construction materials, and strengthen our governance framework to prioritise and monitor ESG issues. We will strive to move most of our portfolio towards carbon neutrality by integrating sustainability in a targeted manner, aligning with and bolstering the UAE's efforts to reach carbon neutrality by 2050.

Environment

Page 56 ↗

Social

Page 70 ↗

Governance

Page 80 ↗

MAKING A LASTING IMPACT

With a focus on integrating sustainability into our business operations, we are becoming increasingly cleaner and greener as we expand and grow. The UNSDGs remain our guiding beacon.

17
Partnerships with Dubai Supreme Council of Energy (DSCE) Circular Economy Committee
Provided recommendation on best practices and innovations on circular economy concepts to be implemented in the future

15
Farm Gardens
Mixed planting of native flora and fauna to create a self-sustaining biosphere in The Valley, UAE

13
Energy conservation
Achieved 55% energy savings from lighting consumption through LED replacements and 60% energy savings through downsizing of equipment at Dubai Fountain

12
Recyclable cutlery
100% replacement of single-use plastic cutleries with Eco-friendly sustainable alternatives in the food outlets at Reel cinemas, UAE

Recycling of cooking oil
An estimated 11 kL of cooking oil is recycled annually at Reel Cinemas, UAE

'Kill the Bill' Challenge
Initiatives for residents to reduce electricity consumption. Winners of the challenge reduced utility bills by 54.60% in 2022 (UAE)

11
Green buildings
Achieved gold LEED certifications for Emaar Square Shopping Mall and Emaar Square North Tower, Turkey with more registrations in the pipeline

3
Wellbeing in communities
Received WELL Health and Safety Rating certificate for 218 buildings across communities in UAE

6
Wastewater recycling
80% of wastewater in Dubai Aquarium & Underwater Zoo is recycled and reused

7
Solar PV capacity
Increased solar PV capacity to 3.16 MW which produced 4,956 MWh energy and avoided 2,002 $MTCO_2eq$ in the UAE

All new developments have built-in EV charging facility

8
Training and opportunity creation
Completed over 56,000+ hours in training and development across the Group

Employee engagement
All employees receive regular performance and career development reviews

9
Infrastructure modification
Achieved energy savings of 64% at Dubai fountain using VFD panels for AHUs

Smart irrigation for landscaping
Adopted smart landscaping to reduce recurrent water waste and costs, with estimated 6% water savings in the UAE

ESG AT EMAAR

Our out-of-the-box approach to creating living spaces and cityscapes has created some of the world's most recognisable landmarks. As society becomes sustainability-conscious, spaces need to transform. Our sustainability strategy is in progress and will define how we make this happen.

GREENPRINT FOR THE FUTURE

Challenges drive progress. Our ambition of becoming a sustainability leader in our industry is motivated by the need to master the challenges of climate change. Several opportunities exist, and we are already working to embed sustainability in many ways.

Focus areas

Climate action	***Energy management***
Waste management	***Water management***
Sustainable operations	***Sustainable district cooling***

Material topics

- Energy management and renewable energy usage
- Environment compliance

Stakeholders

- People
- Partners and suppliers
- Communities
- Customers
- Investors

3.16 MW
Renewable energy capacity

34%
Waste segregation rate

Conducted
LEED pre-feasibility studies across our communities.

All figures mentioned are for operations in UAE, unless otherwise stated.

Strategic mandate

At Emaar, we are driving change at different levels. Our commitment to UAE's Net Zero by 2050 agenda furthers our sustainability objectives.

Aspire to be an industry leader in sustainability

- Clean water
- Affordable clean energy
- Automation and process optimisation
- Waste management

Several initiatives are underway both across our projects under development and at our inhabited communities that address water conservation, emissions reduction and clean energy, process optimisation and resource use management, waste management and responsible material use.

Our strategy for climate action involves developing an action plan to reduce operational carbon and develop sustainable communities. In keeping with the global shift towards greener construction methods, we are also developing strategies for reducing embodied carbon and using planet-friendly materials, fixtures and design standards.

Climate action strategy

1. Establishing a strategy for reducing embodied carbon
2. Developing an action plan for reducing operational carbon
3. Assessing systemic climate change risk

We have adopted several quality management systems to add greater rigour and discipline to our operations and lend efficacy to the transition towards sustainability. These well-defined, verifiable systems are helping to streamline our energy, environment, facility, asset and service quality standards. They have established clear and tangible ways to consolidate on gains, while ensuring that all actions follow an iterative mechanism, which can also be scaled up.

Attaining environmental excellence

ISO 14001
Environment Management System

ISO 55001
Asset Management System

ISO 50001
Energy Management System

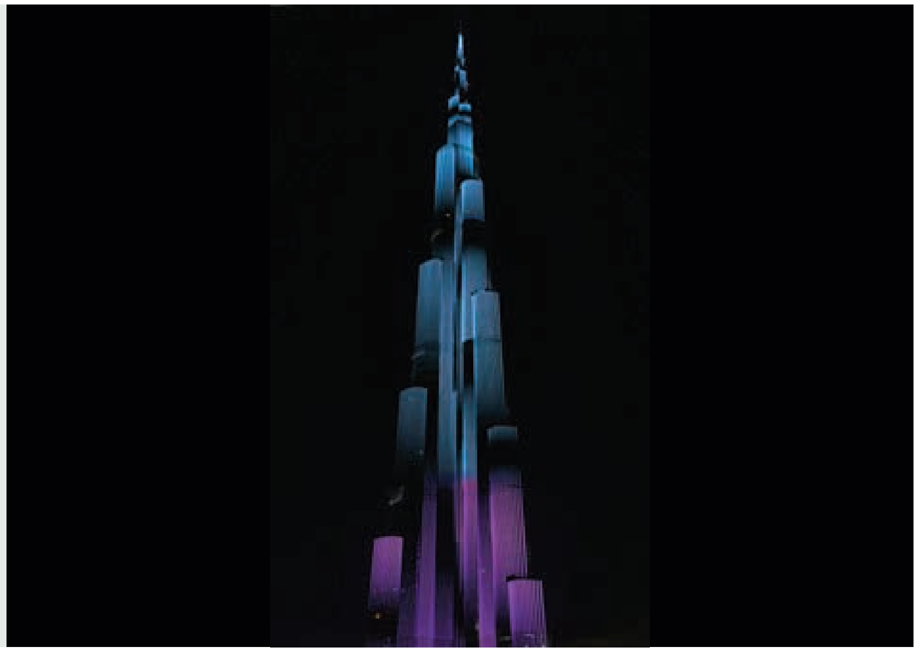
ISO 9001
Quality Management System

ISO 41001
Facility Management System

Climate Control Awards 2022
Emaar District Cooling LLC

Burj Khalifa
The Burj Khalifa's spire is well-known throughout the world. Less well-known are the ongoing water, energy and emissions conservation initiatives. Even though it shines brightest in the night sky, we ensure that its brilliance is self-sustaining.

+ 987 MWh in electricity savings
+ 398.8 $MTCO_2eq$ emissions avoided
+ ~537,000 MT of refrigeration avoided
+ Conserved ~926,000 imperial gallon of domestic water



Dubai Fountain
The world's largest performing fountain is actually quite tardy in terms of water conservation and energy use

+ ~9,286,000 imperial gallons of domestic water conserved
+ Variable frequency drive (VFD) panels are used to control energy use on-demand basis, with 64% energy savings. Downsized compressors, LED lights at filtration stations reduce consumption by 55-60% of conventional means.

Dubai Opera
While this unique performing arts platform hosts world-renowned performers and is a big draw for all art and music lovers, what goes unknown is how smartly it also uses natural resources.

+ 9.5 MWh in electricity savings per show
+ 3.84 $MTCO_2eq$ emissions avoided
+ 4,600 MT of refrigeration saved per show
+ 6,110 imperial gallons of water conserved per show

Emaar Innovation Challenge: Curating next-generation solutions

The Emaar Innovation Challenge was launched in 2022 to encourage ideation for more sustainable urban living. The Challenge was left open to all innovators, including entrepreneurs and start-ups. All entries were then evaluated by an expert panel on parameters of creativity, feasibility, scalability, user experience, and potential impact. The Emaar Innovation Challenge received 240 entries from 43 countries.

The Emaar Innovation Challenge presented four critical challenges to innovators:

1. **Develop smart buildings:** Develop integrated solutions to improve the efficiency and sustainability of Emaar's buildings, such as smart energy management
2. **Enhance customer experience:** Develop solutions to improve customer services, such as virtual reality experiences or mobile applications.
3. **Leverage data and technology:** Develop solutions to leverage data and technology that optimise business operations and customer experiences.
4. **Develop sustainable solutions:** Develop solutions to reduce the environmental impact of the built environment, such as smart energy management systems or renewable energy projects.

With the winning solutions, we hope to enhance sustainability in our operations and the services we deliver.

Energy management

Our energy management initiatives aim to reduce greenhouse gas emissions, fossil fuel usage and operational costs, while enhancing equipment efficiency. The Emaar Energy Management Process (EMP) lies at the core of our energy management thinking. It has been established with the aim of optimising operational asset efficiencies and maximising renewable energy opportunities. EMP helps us increase revenues by reducing energy usage and costs, improves our competitive position as a world-class facility management company and lowers Emaar Properties' and UAE's carbon impact.

650.42 GWh

Total energy consumption in the UAE

The total energy consumption in India, and Turkey has been 39.28 GWh and 44.84 GWh respectively, with energy-efficient measures in planning to reduce consumption.

Energy conservation and shift to renewables
In line with the target of reaching Net Zero by 2050, we have undertaken a number of initiatives in support of clean energy. From expanding the coverage of solar installations at our communities to installing smart equipment like variable frequency drives for demand control ventilation, we are constantly looking for ways to make our properties self-sustaining and energy efficient. Further, feasibility studies are underway across several Emaar communities for adoption of solar installations. This includes Golf Towers in the Greens community with an estimated ROI of 8-9 years.

Awards

FM Middle East Awards: Technology Implementation of the Year: Data-Driven Energy Centered Maintenance | Emaar Facilities Management

Greening our energy use#

Solar panel installation with a total capacity of 3.16 MW

Springs Souk, Arabian Ranches Souk, Gold and Diamond Park and Community Centres

Impact made

24%

3.16 MW
Total renewable energy capacity*

4.95 GWh
Renewable energy production*

2,002 $MTCO_2eq$
GHG equivalent avoided*

Springs Souk

44%
Reduction in total energy consumption

AED 711,551
16.41%
Cost saving in AED/year

Arabian Ranches 1 Retail Centre

27%
Reduction in total energy consumption

AED 489,847
42.93%
Cost saving in AED/year

Gold & Diamond Park

44%
Reduction in total energy consumption

AED 879,296
87.23%
Cost saving in AED/year

We are extensively using energy-efficient fixtures to reduce our energy consumption. Replacement of conventional lights with LED lights at the Dubai Aquarium & Underwater Zoo is expected to save over 55 MWh of energy per year, equivalent to 22.22 MT of CO_2. The installation of demand control ventilation at Dubai Creek Residences that varies supply air fan speeds through sensor-based monitoring of CO_2 levels has led to 22% overall energy savings.

All our new developments will be EV-ready, with adequate charging facilities for electric vehicles. In our existing communities, more than 52 EV chargers have been installed across malls and residential assets.

To identify further Energy Conservation Measures (ECMs), we carried out an energy management inspection and audit at one of our communities. Several ECMs were identified with an annual savings potential of 17.60% which are currently being implemented.

** In UAE*
 # The renewable energy portfolio is for properties in UAE.

Waste management

Our waste management initiatives aim to reduce waste production, minimise waste sent to landfills, and ultimately reduce greenhouse gas emissions. We take construction and operational waste into account and have invested in reducing waste generation and increasing source separation. Across our communities, hospitality and retail businesses, a number of waste management initiatives are currently underway, each of which is tailored to specific waste characteristics and employs the most efficient conservation strategies.

204,240 MT

Total waste generated*

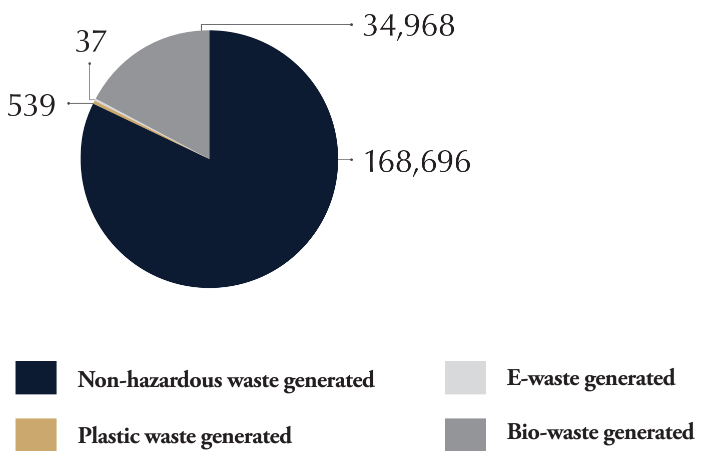
34%

Waste segregation rate*

The waste segregation rate in India in 2022 was 100%, while it was 57% in Turkey.

** In UAE*

Waste generated by type (UAE) (MT)



Replacing single-use plastic with wooden cutlery

Reel Cinemas at Dubai Mall has initiated the recyclable cutlery initiative by replacing plastic cutlery with wooden cutlery at food outlets. This initiative has allowed Reel Cinemas to eliminate all single-use plastics. Additionally, non-recyclable waste generated at the source has been reduced. Wooden utensils are biodegradable and leave a much smaller carbon footprint than their plastic counterparts.

Use of recycled cooking oil to produce biofuels

The used cooking oil generated at Reel Cinemas F&B outlets was earlier thrown away. Now an estimated 2,419 imperial gallons of cooking oil are being recycled annually to produce biofuels.

100%

Reduction of single-use plastic in Reel Cinema-Dubai Mall food outlets

Recycling campaign: Collect My Junk, Collect My Green Waste

At Emaar Communities, we have implemented a recycling awareness campaign that makes residents aware of ways and means of waste reduction, reuse and recycling and encourages them to practice responsible waste management.

Posters and brochures were distributed via email blasts and posted on community bulletin boards and gatehouses as part of the campaign. As part of the drive, the green waste generated by households in horizontal communities is being collected at no additional cost. With this campaign, we took another step towards building a circular economy at Emaar.

Water management

Efficient water management is a priority for Emaar as our properties use more than 802 Mn gallons of water each year. We carefully monitor water usage and costs. The measures include sub-metering to limit use and leak detection. Sub-metering allows tenants to see their water usage, which helps them save.

667.81 Mn Imperial Gallons

Total water consumption

Water conservation measures
Water conservation decreases the diversion of freshwater from the ecosystem, and saves the energy required for its extraction, treatment and transportation. Several measures are underway including the use of efficient fixtures, smart landscaping, improved irrigation processes, and water-efficient cleaning equipment.

Smart irrigation for landscaping has been introduced at a number of our communities. Smart irrigation technology uses weather data or soil moisture data to determine the irrigation need of plants and avoids unnecessary watering. Further, treated Sewage Effluent (TSE) water from the Dubai Municipality is being used for landscaping purposes. Currently, such techniques are in use at our Arabian Ranches I, II, Reem, Emirates Living, Dubai Hills Estate, Polo Homes, Downtown Dubai, Dubai Marina and Dubai Creek Harbour communities. It is estimated that through this initiative 6% water savings will be achieved.

Low-volume aerators have been installed in the showerheads at swimming pool amenities. More than 2,000 such aerators have been installed across Emaar communities.

8 Mn gallons/year

Cumulative impact of our water conservation activities in Dubai

Wastewater recycling

The Dubai Aquarium & Underwater Zoo has implemented a wastewater recycling project. Water used at the aquarium exhibits is usually discarded periodically to maintain the cleanliness and health of aquatic animals. In this initiative, the wastewater is being recycled using a mobile backwash recovery and reused in the aquarium. This has helped in reducing environmental impact, also eliminating the need to transport water, and avoiding the need for handling and disposal of large quantities of wastewater. Over 80% of used water is being recycled and reused in the aquariums and the project has a forecasted ROI of 1.60 years.

80%

Wastewater recycled and reused in the Dubai Aquarium & Underwater Zoo

Sustainable operations

We are actively working to integrate greener, more environmentally-friendly construction practices into both our current offerings and future projects. Our Building Design Standards and Guidelines ensure sustainable design in new constructions and renovations. Our energy, water, and sustainable design practices decrease our environmental impact, utility rates, and operational expenses through durable and long-lasting products.

In order to enhance the sustainability standards followed for our buildings and communities, Emaar Community Management is targeting green building certifications. We are targeting LEED certification for our marquee buildings and are conducting pre-feasibility studies for this. We have LEED-certified projects in our overall portfolio (in India and Turkey). We are also conducting LEED gap analysis and feasibility studies for our upcoming projects, as a precursor.

Our international projects have received the LEED Gold Green Building certification

Emaar Digihomes Sector 62 Gurgaon
4 star GRIHA Certification

Key features:

+ Adopted recycling of various materials such as steel scrap, wooden scrap
+ Sewage water treatment and re-use for gardening, and curing purposes (zero discharge projects)
+ Topsoil conservation (to retain soil fertility)

Emaar Square Shopping Mall, Turkey
LEED Gold Green Building certification

Key features:

+ The utilisation of local and recycled raw materials
+ Low-carbon emitting materials
+ Energy-efficient lighting systems
+ Energy-efficient HVAC systems

Emaar Square North Tower, Turkey
LEED Gold Green Building certification

Key features:

+ Energy-efficient design
+ Water use reduction
+ Sustainable site selection and development
+ Use of responsible materials
+ Waste management
+ Enhanced indoor environmental quality

Harnessing technology for sustainability

Emaar Egypt has adopted multiple technology-driven sustainable practices across its portfolio to optimise operations and reduce negative impact.

Coastal solutions: Emaar Egypt designed a method for utilising nourishment plans and protection structures in Marassi Bay to prevent shoreline erosion and fortify upland development. With the significant change in wave movements, such construction can help stabilise the shoreline. The construction is expected to get completed in 2024.

Electrical solutions: The Belle Vie community's Scada system – which is a set of software applications that gather data in real-time from remote locations and accordingly control equipment – controls dry and wet utilities to optimise facility management. This method saves energy and prolongs component life.

In another initiative that targets adding to the growth of the EV ecosystem, car charging stations have been installed in Uptown Cairo and Mivida. For our upcoming Belle Vie and Cairo Gate projects, provisions are being made for their installation.

Mechanical solutions: Ongoing and future hotel construction projects will include interventions to conserve water, energy and to minimise pollution. Among them, photocell flow sensors for public washrooms, PICV valves for FCUs, AHUs, heat exchangers, and ecology units for kitchen exhaust air filtration are under implementation.

Design solutions: To reduce material usage in pipes and stormwater generated on-site, roofs at Belle Vie, Cairo Gate, Soul and Marassi are designed to release rainwater to gardens. This also reduces the volume of water used for irrigation.

Sustainable district cooling

We provide high-quality cooling using sustainable, energy-efficient engineering solutions. Our district cooling arm, Emaar District Cooling (EDC) focuses on energy efficiency, carbon reduction, and sustainable equipment procurement. EDC works with the objective of creating a sustainable energy landscape in the UAE and reducing carbon emissions. It is the region's leading district cooling provider in terms of energy efficiency achievement.

The innovative approach taken by EDC includes:

+ The utilisation of seawater as a coolant in the Emaar Beachfront district cooling plant. This substantially decreases our water consumption carbon footprint.
+ Installation of thermal storage in respective District Cooling Plants to optimise energy and water consumption rates.
+ Construction of a Treated Sewage Effluent Reverse Osmosis (TSE RO) plant in lieu of individual RO plants in Downtown District Cooling scheme.
+ Employing sophisticated water treatment technologies to monitor, control, and minimise corrosion, scaling and bio-fouling in chilled water systems, and to reduce the risk of Legionnaires' disease-causing bacteria. The high summer temperatures increase the likelihood of such bacteria occurring, and EDC takes a proactive approach through 24x7 automated chemical treatment system to ensure the safety and health of our users.

788.24 Mn TRh

Total District Cooling Energy Consumption in the UAE

District cooling that balances green concerns with performance needs

Temperatures within Dubai's glittering built environment are constantly controlled, adding to the charm of the coastal desert city. A lot of high technology goes into maintaining these ambient temperatures. Centralised cooling plants produce chilled water which acts as a heat reducer and is distributed to consumers through a closed piping circuit, or reticulation system. This centralised production and distribution of cooling energy is called District Cooling (DC). Modern, more environment-friendly DC standards prefer using deep seawater as a coolant as it is colder than surface water and can be easily released into the sea after use. Accordingly freshwater use is completely avoided.

Emaar's properties across Dubai and UAE extensively use district cooling. We own and run Emaar District Cooling (EDC), as a limited liability company providing innovative cooling solutions across key projects in the UAE and Bahrain. Headquartered in Dubai, EDC owns/manages five cooling plants with a combined capacity of 114,800 MT of refrigeration as on 2022, serving both in-house projects and external ones. EDC's services cover design, construction, commissioning, operation, management and maintenance of complete end-to-end DC plants (DCPs).

87,800 MTCO$_2$eq savings in 2022

Equals

18,932

gasoline powered cars driven over one year

Equals carbon sequestered by

1,452,839

saplings over a decade

For DCPs, efficiency and reliability are the most critical parameters. Scale economies, that emerge from serving many customers, help to keep down costs. But remaining operationally efficient is as important as operations are typically highly energy-intensive. Any improvement in efficiencies thus results in huge savings in running costs. EDC has been a consistent high performer on both these criteria and has received numerous awards, the most recent being District Cooling Utility Provider award, 2022, at CPI's Climate Control Awards.

Emaar Beachfront DC plant makes innovative use of seawater intake and outfall system

Conventional DC systems use potable and treated sewage effluent water for cooling purposes. EDC's Emaar Beachfront DCP utilises seawater, substantially reducing the water consumption carbon footprint to almost zero. The design of the seawater system and location of the intake and outfall pipes have been done by specialised marine consultants and EDC engineers, with simulation based on Cormix Modelling to address environmental concerns. Further, Emaar has installed state-of-the-art chlorine dioxide generators to control aquatic growth in the pipes, ensuring that only non-toxic chemicals get released that do not endanger the ecology. Monitoring is done through SCADA in-built systems, with digital memory, artificial intelligence and machine learning capabilities, enabling optimal control and performance. The entire system functioning has been approved by the Dubai Municipality coastal department.

The Beachfront DCP is housed in the basement of a residential tower and does not require a separate plot, thus saving space. While designing the system aspects like safe noise levels, anti-corrosive safeguards, isolation chambers and check valves were integrated to safeguard against discomfort caused by constant vibration from operations, the risk of leaks and seawater flooding, respectively. Operational since mid-2021, the plant is highly efficient in handling high-load capacities and has been recognised for its innovative technology use.

THE WIND BENEATH OUR WINGS

Our employees, customers, suppliers and communities have made Emaar the well-respected brand that it is today through their trust and hard work. In order for these stakeholder groups to prosper, we constantly work to establish relationships that are mutually beneficial and to deliver long-term value.

Material topics

- Customer privacy
- Data security
- Product quality and safety
- Labour practices and employment
- Training and skill development
- Employee health and safety

Stakeholders

- People
- Customers
- Partners and Suppliers
- Community

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

100%
Compliance to Emaar HSSE standards

~AED 5.4 Bn
Value of projects awarded in the UAE

AED 2.3 Mn
Spent in training and development

All figures mentioned are for operations in UAE, unless otherwise stated.

People

Our people lie at the core of all our endeavours. The well-being and development of our team are our top priorities, and we strive to nurture a safe, conducive and inclusive work environment. We rely on highly skilled, dedicated and motivated employees to maintain our position as an industry leader and an innovative thought leader.

Emaar's people strategy addresses the areas of active employee learning and development, employee engagement, diversity and inclusion, health and safety, leadership excellence, knowledge sharing and the creation of a positive work culture. Our HR business unit develops and leads our employee attraction, engagement and retention strategy.

6,900+
Total employees across UAE, Egypt, Turkey, India, and Pakistan

Learning and development

We strongly believe employee skill development and learning are the main levers for driving growth. Our workers are provided training through various programmes designed to enhance their skills and facilitate professional learning. This helps support their aspirations and overall well-being, improving efficiency and knowledge exchange.

94%
Employees receiving training

56,000+ hours
of training and development across the Group

AED 2.3 Mn
Employee development expenditure

In Turkey, 1,677 hours of skill development training was provided to the employees. 100% of employees in UAE, India, Turkey, and Pakistan received performance and career development reviews.

Emaar employee suggestion platform
We have instituted a platform that allows employees to submit ideas and suggestions to improve business efficiency, profitability, and customer satisfaction. In total, we received 700+ ideas, which were evaluated by the innovation committee and executive committee to decide on the ideas that shall be implemented. We had four winners from UAE and three winners from our international offices in 2022.

Internship programmes
Through our partnerships with educational institutions, we provide internship opportunities to students in specialised areas of research. Interns work closely with several business units, creating opportunities for the recruitment of young and promising talent. In FY 2022, we had 26 interns participating in these opportunities for a period of 8 to 11 weeks.

New end-to-end competency-based talent acquisition process

We launched a new recruitment process that is more structured and adheres to a consistent competency framework for each grade level.

Individual development plans

Based on the competency framework, competency gaps have been identified. Individual development plans have been developed with varying weightage of 70% for experience, 20% for exposure and 10% for education. Experience is built by shadowing on the job, coaching, mentoring and learning from peers. All Emiratis and critical position holders are on a robust development plan.

Succession plan

The L&D team, in conjunction with the Senior Leadership Team, has developed succession plans for division heads, department heads and other key positions that influence Emaar's growth and sustainability. Key successors have been identified, who have the potential to fulfil these positions. They will be groomed through oversight over their performance management plan.

Employee engagement initiatives

Creating and maintaining a comfortable, safe and stimulating workplace is the foundation for higher productivity. During the year, several employee engagement initiatives were organised to address our diverse priorities around health and wellbeing, sports and fitness, making the workplace friendly for mothers and helping the needy. We organised blood donation drives, breast cancer awareness sessions and clothes donation drives. The UAE National Day was celebrated with great enthusiasm and saw high participation across all our units. As an organisation that cares for the differing needs of its employees, we have introduced healthy snacks at our café, are providing discounted gym memberships and also providing discounts at daycares for those with young children.

Addressing employee concerns

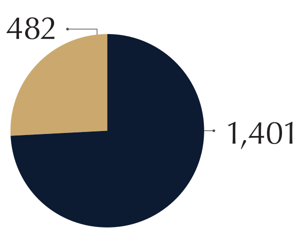
We have mechanisms for investigating reported incidents that ensure issues are addressed appropriately. Our employee policies and code of conduct support these mechanisms and facilitate feedback and complaints through surveys and internal feedback forums. Internal employee surveys also help us to improve on operational, commercial and developmental aspects of the business. Dedicated HR Business Partners are available across business units as a point of contact to oversee and address these issues.

Diversity and inclusion

A diverse workforce leads to a fecundity of ideas, and as a young and growing organisation that is a significant strength for us. We value the unique backgrounds, skills, perspectives, and talents that the workforce brings and treasure our ability to learn from each other. Diversity and inclusion are important aspects of our hiring process, and we ensure that we select candidates based on their abilities, qualifications and personal values, regardless of their race, age, religion, gender or national origin.

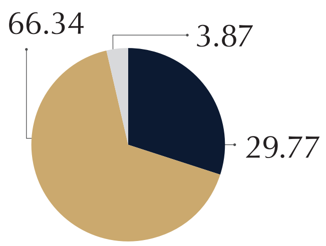
We strive to maintain an inclusive workplace and encourage our employees to raise their concerns in cases of discrimination or harassment. Our policies and code of conduct safeguard the rights of our employees.

New hires 2022



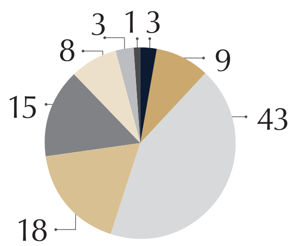
Male
Female

Age diversity 2022 (%)



18-30 years
31-50 years
50 years and above

A small piece of the world: Employee ethnicities (UAE) (%)



UAE
Middle East & Other GCC
Indian Sub-continent
South-East Asian
Other Asian countries
African
European
American & South America

Health and safety

It is our objective to create an injury-free workplace, where our people feel safe and well cared for and are motivated to give their best. We have a robust HSSE Standard to streamline our operations and ensure the safety and well-being of our workforce. Our HSE management strategy involves compliance with regulatory requirements, risk assessments, investigation of incidences, and emergency and crisis management. We have seven specialised committees across all business units to maintain the highest standards of safety and compliance.

Risk assessment/ management

Legal and standard compliance

HSE training and competency development

Inspection and field visit observations

Emergency and crisis management

Contractor management

Incident management and investigation

Adherence to national and international standards:

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

100%
Compliance with Emaar HSSE standards*

0.014
Lost Time Injury Frequency Rate*

TWO
Incidents of serious injury*

Employee training in safety culture

At Emaar, our goal is to achieve zero incidents, and to this end, we educate all of our stakeholders on the dos and don'ts and instil a strong safety culture throughout the organisation. Employees are encouraged to align their work ethic with our safety principles and culture, which are emphasised in our safety training programmes. In Turkey, 188 hours of health and safety training was provided in 2022.

16,000+ hours
of safety training*

260+ Mn
Safe manhours worked*

40,000+
Participants in H&S training*

**In the UAE*

Safety audit

Monthly audits, inspections and on-site health and hygiene checks are conducted to ensure that standards are adhered to. These internal and external audits monitor the effects of our safety-related practices and interventions across all of our sites of operation. Moreover, we continually revise our policies to effectively address any identified gaps in the safety management process.

Awards and recognition

IL Primo
British Safety Council - International Safety award

Downtown Views II
British Safety Council - International Safety award

Emaar South Parkside Project
Dubai South Certificate of Appreciation

Act 1 Act 2
British Safety Council - International Safety award

World of Safety and Health Asia Award

Certificate of Appreciation from Emirates Red Crescent

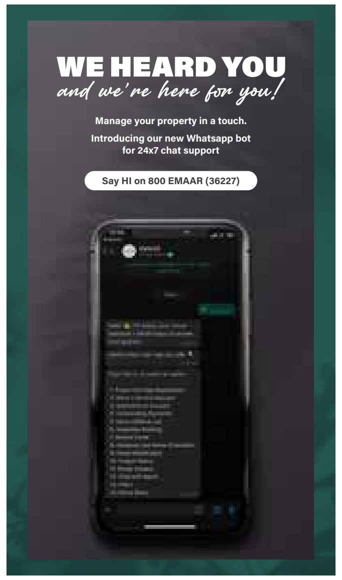
Customers

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

Digital customer care

To deliver the finest services to our customers, we provide digital platforms for interaction right from the start of the customer's ownership. The Emaar One app, online community platforms, WhatsApp services and chatbots, all help the customer with a variety of needs – from registration of their helpers to security updates while the customer is away; from logging of maintenance complaints to help with move-in permits and booking of community facilities etc. The many small details of daily living are seamlessly unified and resolved to create a great 'living at Emaar' experience.

App interface



Chatbot

Emaar has well established mechanisms for handling customer complaints and has 24X7, onsite crews available at all our properties to tackle customer problems and emergencies.

84,367
Total customer grievances received in 2022

84,085
Total customer grievances resolved in 2022

4.64 out of 5
Customer satisfaction score

Direct to the customer, with care and understanding

Emaar Customer Happiness Centres are walk-in contact centres that help to address customer issues. The launch of the Emaar One app has reduced centre walk-ins, and improved waiting and serving times. Customer Happiness Centres handled 38% more service requests in 2022 than in 2021. Relationship Managers proactively contacted signature clients via phone, email and through in-person meetings to resolve issues before they flare up. These offline and online channels have helped to improve customer satisfaction scores across all business assets. Also these channels have been used for intensive customer pain point monitoring and dissatisfaction scores have YoY reduced by 12% in 2022.

Community well-being

The pandemic years forced people indoors and 2022 has, therefore, been a year of return to normal, renewing relationships and community togetherness. This year, our residents sought more social engagement and community interactions and we organised several events across our many communities, to converge and celebrate the spirit of enjoyment and conviviality. Keeping different tastes in mind, our community events covered a lot of different themes – from sustainable living to sports and fitness to family gatherings.

Community events

We organised barbecues, movie evenings, game contests and joyful festivals to bring our communities together.

94
Community events held

7,000
Residents participated in Halloween celebrations in Emirates Living

2,800
Residents attended the Reem Festive Market

2,362
Residents celebrated UAE National Day in Dubai Hills Estate

Afrofit-Fitness weekend

Emaar Community Management (ECM) organised Afro-fitness weekends in Downtown Dubai, Emirates Living, Dubai Marina and The Greens and Views. Held in support of the Dubai Fitness Challenge promoting healthy living and well-being, Afrofit demonstrated Afro Fitness, a cardio-toning dance workout. Additionally, residents enjoyed zumba, yoga, and deep stretching. Around 150-500 residents participated in the fitness weekend.

Sustainable community living

At Emaar, we believe that sustainable living isn't just a way forward, it's essential for an improved quality of life. Environment-friendly communities learn to do more with less, every day. By saving natural resources, protecting the environment and becoming more self-sufficient, such communities enjoy a healthier life too. During the year, ECM organised a number of environment-friendly initiatives to drive awareness and promote long-term lifestyle changes.

Community organic garden
In 2022, ECM and our landscaping team started the community organic garden project in Dubai Hills Estate, which will be expanded to other communities in 2023. Under this project, the residents received their own organic vegetable and fruit table, which will allow them to maintain a healthy diet.

Community garden challenge
To promote community spirit and encourage villa homeowners in Emirates Living, Arabian Ranches I and II, Reem, Polo Homes, Dubai Hills Estate and Emaar South to improve their private gardens, we created the Community Garden Challenge. The villa communities shortlisted 59 entrants per category based on garden sizes of small, medium and large. Community management chose winners from the finalists and their interviews were featured in the community bulletins.

Home Garden Competitions will be expanded to apartments in the coming years to promote terrace gardening and the cultivation of homegrown foods.

At Emaar Community Management, our residents come first. And we have successfully put emotion back into the business. In 2022, we won the Best Community Engagement Company and Community Management Company of the Year award at the Smart Built Environment Awards (SEBA).

Electric vehicle charging units
Emaar Properties is committed to the UAE's vision of becoming a global leader in green real estate and infrastructure development. With this long-term objective in mind, we installed electric vehicle charging stations in six residential communities to encourage residents to start using electric vehicles, accelerate the transition to green mobility and cut back on emissions. All our upcoming projects will have EV charging facilities.

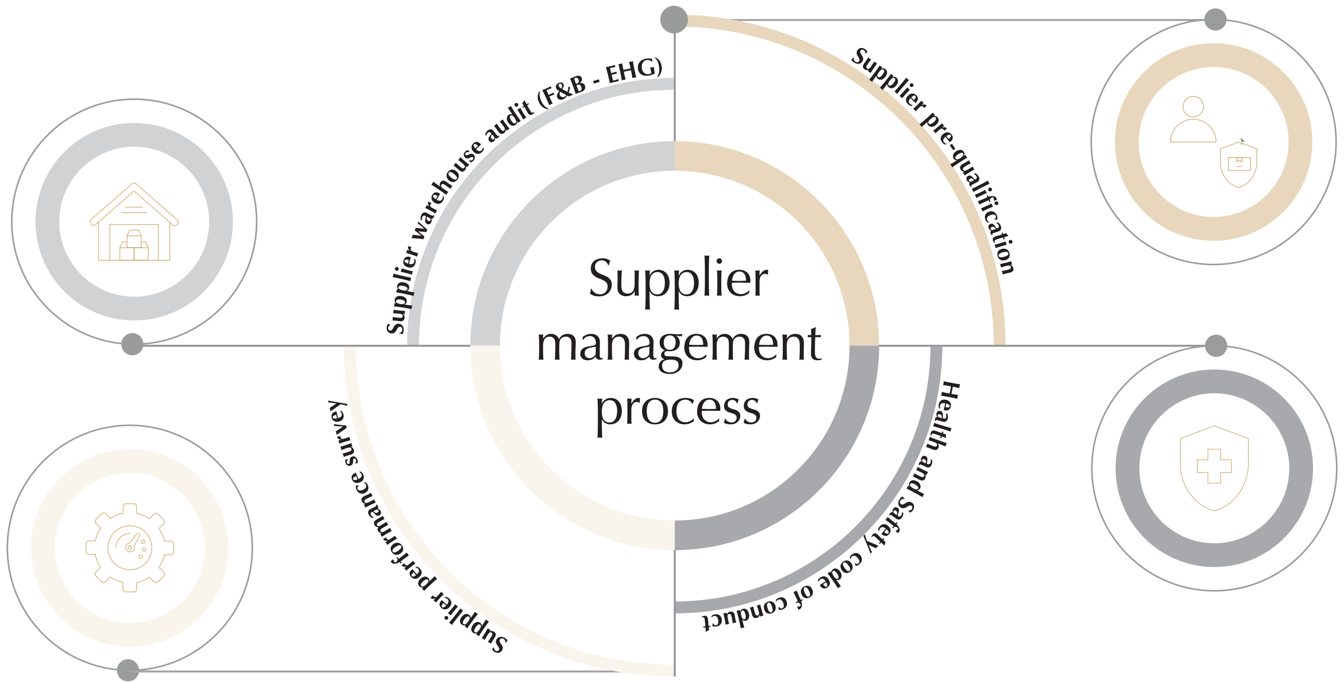
35
Electric charging stations installed across six communities

Kill the Bill challenge
Emaar Communities' Kill the Bill Challenge encouraged power and water conservation amongst residents. The project was launched via email blasts and posters, and during the course of the project there was a significant reduction in utility bills of residential units. The one-year period between August 2021 till August 2022 was reviewed as a part of this challenge, and aspects like unit occupancy, change in the number of occupants, and measures taken to reduce usage were considered while evaluating the usage patterns. Top contestants cut utility bills by 54.6%.

113
Residents participated with an average utility bill savings of 20% each

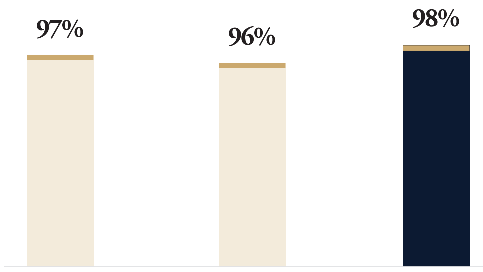
Partners and Suppliers

Responsible procurement is central to our quality excellence philosophy and our ESG approach. All suppliers are onboarded after they qualify in supplier assessments and regular audits are done to ensure quality and consistency.



As we progress towards integrating our ESG priorities within our supply chain, we are increasing local procurements, and in the process, cutting back on GHG emissions and also strengthening the local economy. We had 700+ active suppliers this year, and 98% of our operational procurements were from local partners.

Business through local partners (%)



Driving social impact

The Emaar Foundation serves as the Emaar Group's apex entity to lead and mobilise our social development initiatives in the UAE. Our corporate social responsibility strategy aims to deliver a holistic impact by driving social good in ways that benefit both local communities and the environment. For we believe a better society can only flourish in a healthier planet.

During 2022, as business and entertainment activities upsurged in the post-pandemic world, we carried out a host of activities across our various businesses, and at diverse locations, to benefit those left behind and also create a cleaner world. We foster a culture of inclusivity, grace and responsibility. Our social impact programmes reflect this spirit.

In 2022, our in-kind contributions to community development and environmental preservation totalled AED 4.18 Mn across all Emaar business units, including Emaar Entertainment, Emaar Malls Management, Emaar Hospitality Group, Emaar Communities Management, Emaar Development, and Emaar International.

~AED 61 Mn

CSR expenditure by the Group

Emaar Malls

+ International Plastic Free Day was celebrated at Dubai Mall, the Dubai Marina Mall and the Dubai Hills Mall by gifting eco-friendly reusable bags, designed by a local artist, to our mall visitors. Helped to build awareness and support local artists and their creations.

Emaar Community Management

+ Under our symbiotic partnership with Palmade – a Dubai-based manufacturer of biomass-based disposable cutlery, date palm leaves, and fronds were collected from across Emaar communities over a period of 2 months
+ Hosted Ramadan Iftars for various community workers and construction workers in our various masterplans

Emaar Entertainment

+ Hosted the Dubai Turtle Rehabilitation Project at Dubai Aquarium & Underwater Zoo in collaboration with Jumeirah Group
+ Hosted a visit to Burj Khalifa in collaboration with the Friends of Orphans Association.
+ Burj Khalifa marked Earth Hour by turning off its lights to raise awareness
+ On World Autism Awareness Day children from the Dubai Autism Center and their families visited KidZania and Dubai Aquarium & Underwater Zoo. LEDs illuminated Burj Khalifa for celebration and awareness. PR and media backed the campaign.
+ Dubai Police General Command held a three-day interactive campaign at Dubai Mall to raise awareness about narcotic drugs and psychotropics. Titled "Drugs... A Painful Ending" Dubai Mall provided an ideal platform given the very high number of footfalls and its youthful clientele

Emaar International

+ This year, Emaar India launched Ujaala, a new CSR programme that will work with a wide range of non-profit organisations and charities to target social campaigns for the underprivileged

Emaar Hospitality

+ Hosted Ramadan iftars for construction site workers in our upcoming hotels

Emaar Misr's initiatives to provide free housing and build schools

A home is a basic human need and forms the core of the first Sustainable Development Goal of 'No Poverty'. Emaar Misr has tied up with the renowned Egyptian organisation Misr El-Kheir, under the aegis of the Ministry of Social Solidarity, to develop and collaborate in Egypt's largest private sector-funded project, Beyout Al Kheir. The project supports the Egyptian State's strategy to improve village life and aims at providing free housing to marginalised communities.

Emaar Misr has invested EGP 140 Mn for the first and second phases of this project. Under this project, for every unit that Emaar builds in Egypt, it will aim to provide a housing unit to an underprivileged family. Emaar Misr has completed delivery of the first phase and is currently in the second phase, wherein 431 housing units are to be delivered in Luxor and Sharqiya, two orphanages at Beni Suef and Assiut are to be renovated, and sustainable income-generating projects will be developed in identified governorates. The houses throughout the project were rebuilt using sustainable materials.

Emaar Misr has collaborated with the Tahya Misr Fund to launch Tahya Misr— a social and youth services complex in Sidi Abdel Rahman in the Matrouh governorate. The complex, launched in September 2022 has two fully operational schools, a state-of-the-art medical complex, a sports hub, workshops for Matrouh's famous traditional handcrafts, and facilities for providing various governmental, social and retail services the village residents need. Earlier, the village residents would have to travel many miles to access such services.

LEADING WITH INTEGRITY

We strive for the highest standards of corporate governance. With commitments to meet the expectations of shareholders, customers, and other stakeholders, we are dedicated to conducting our business responsibly, ethically, and in compliance with applicable laws and regulations.

Material topics

- Business ethics, integrity, transparency, bribery and corruption
- Risk management
- Reputation, communications and awareness

Stakeholders

- People
- Customers
- Partners and Suppliers
- Community
- Investors

55%
Independent Directors

11%
Female members on the Board

20%
Committee chairs occupied by women

All figures mentioned are for operations in UAE, unless otherwise stated.

Corporate governance framework

Our experienced Board of Directors, Executive Management team, and robust internal policies and procedures enable us to conduct business ethically and sustainably, thereby creating value for all stakeholders. The governance framework ensures that our operations are accountable and transparent.

Transparency and accountability

Board of Directors

Provide strategic direction and evaluate overall performance

Ensure the long-term interests of the stakeholders are served

Board Committees

Audit	Investment	Nomination and remuneration	Risk	Committee for monitoring insider trading

Management reporting to the Board

Snapshot of the Board

9.1 years
Average tenure of Board members

57 years
Median age of Board members

Board Policies and Oversight

- No Gift Policy
- Code of Conduct
- Anti-Bribery/Anti-Corruption
- Whistleblower Policy
- Cyber Risk and Threat Management
- Data Management

GUIDED BY VALUES

Chairman

Mr. Jamal Bin Theniyah
Non-executive, Non-Independent
11 years on the Board
Appointed on 23.04.12

Vice-Chairman

Mr. Ahmed Jawa
Non-executive, Non-Independent
17 years on the Board
Appointed on 08.03.06

Managing Director

Mr. Mohamed Ali Alabbar
Executive, Non-independent
25 years on the Board
Appointed on 30.12.97

Executive Board Member

Mr. Ahmad Al Matrooshi
Executive, Non-independent
17 years on the Board
Appointed on 01.12.05

Board Member

Mr. Jassim Al Ali
Non-executive, Independent
5 years on the Board
Appointed on 22.04.18

Board Member

H.E. Eng. Sultan Al Mansoori
Non-executive, Independent
1 year 9 months on the Board
Appointed on 11.04.21

Board Member

Mr. Helal Al Marri
Non-executive, Independent
1 year 9 months on the Board
Appointed on 11.04.21

Board Member

Mr. Buti Al Mulla
Non-executive, Independent
1 year 9 months on the Board
Appointed on 11.04.21

Board Member

Ms. Eman Abdulrazzaq
Non-executive, Independent
1 year 9 months on the Board
Appointed on 11.04.21

Core Board skill matrix

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

DELIVERING EXCELLENCE WITH EXPERTISE

Managing Director

Mr. Mohamed Ali Alabbar

Executive Director

Mr. Ahmad Thani Rashed Al Matrooshi

Group CEO

Mr. Amit Jain

Chief Audit, Risk & Compliance Officer

Mr. Irfan Sadiq

Executive Director, Group Operations

Mr. Ahmad Al Falasi

Head of Central Functions

Ms. Maitha Al Dossari

COO, Emaar Hospitality

Mr. Mark Kirby

CEO, Emaar Entertainment

Ms. Zeina Dagher

Group CFO

Mr. Hesham Heikal

CTO & CIO

Mr. Binoo Joseph

Group CEO, Malls

Mr. Ahmed Wassim Al Arabi

Group General Counsel

Mr. Ayman Elnaggar

Head of Marketing

Ms. Alma Au Yeung

Head of Projects, Emaar Development

Mr. Richard Nigel Shirley

GRI CONTENT INDEX

GRI 1: Foundation 2021

	Statement of use	Emaar Properties PJSC has reported with reference to GRI Standards 2021 for the period 01 January 2022 - 31 December 2022.
	GRI 1 used	GRI 1: Foundation 2021
	Applicable GRI sector standards	Our applicable Sector Standard is GRI G4 Construction and Real Estate Sector (CRES). We will be validating our list of material ESG issues with the latest GRI Sector Standard for our industry when it is published by GRI

GRI 2: General Disclosures 2021

GRI Standards	Disclosure	Reference of the pages in the Report
2-1	Organisational details	2, 15-19
2-2	Entities included in the organisation's sustainability reporting	5, 16, 18
2-3	Reporting period, frequency and contact point	5
2-4	Restatements of information	- The 2021 Financial statements are restated
2-5	External assurance	- This report has been assured internally. Our report is currently not externally assured
2-6	Activities, value chain and other business relationships	18-35
2-7	Employees	70-74
2-9	Governance structure and composition	81-85
2-11	Chair of the highest governance body	82-83
2-12	Role of the highest governance body in overseeing the management of impacts	108
2-19	Remuneration policies	116
2-22	Statement on sustainable development strategy	9, 10, 50-51
2-23	Policy commitments	81
2-29	Approach to stakeholder engagement	5, 40-43

GRI 3: Material Topics 2021

3-1	Process to determine material topics	42
3-2	List of material topics	43-45 There have been no changes to our material issues for 2021
3-3	Management of material topics	44-45 The details of the material topics have been discussed in ESG at Emaar Section
	Topic Standards	
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	77
GRI 302: Energy 2016		
3-3	Management approach	60-61
302-1	Energy consumption within the organisation	38-39, 60-61
302-5	Reductions in energy requirements of products and services	58, 60-61 Energy saving due to Sustainable District Cooling
GRI 303: Water and Effluents 2018		
3-3	Management approach	64-65
303-2	Management of water discharge related impacts	65
303-5	Water consumption	58, 64-65
GRI 305: Emissions 2016		
3-3	Management approach	56-57
305-5	Reduction of GHG emissions	39, 61

GRI Standards	Disclosure	Reference of the pages in the Report
GRI 306: Waste 2020		
3-3	Management approach	62-63
306-1	Waste generation and significant waste-related impacts	62-63
306-3	Waste generated	38-39, 62-63
306-4	Waste diverted from disposal	38-39, 62-63
GRI 401: Employment 2016		
3-3	Management approach	71-72
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	72
GRI 403: Occupational health and safety 2018		
3-3	Management approach	73
403-1	Occupational health and safety management system	45, 73
403-9	Work-related injuries	39, 73
GRI 404: Training and education 2016		
3-3	Management approach	71
404-1	Average hours of training per year per employee	71
404-3	Percentage of employees receiving regular performance and career development reviews	38, 71
GRI 405: Diversity and equal opportunity 2016		
3-3	Management approach	72
405-1	Diversity of governance bodies and employees	72, 80, 84
GRI 406: Non-discrimination 2016		
3-3	Management approach	72
GRI 408: Child labour 2016		
3-3	Management approach	Adherence to the UAE Labour Law
408-1	Operations and suppliers at significant risk for incidents of child labour	We understand that our greatest risk of child labour is within our supply chain and it is for that reason that we comply to the UAE Labour Law and there have been no incidences of non-compliance
GRI 409: Forced or compulsory labour 2016		
3-3	Management approach	Adherence to the UAE Labour Law
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	For the reporting year, zero incidences of forced or compulsory labour have been identified in our operations
GRI 414: Supplier social assessment 2016		
3-3	Management approach	77
	Sustainable Buildings	
3-3	Management approach	66
Company-specific metrics	LEED or equivalent certified properties	66

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS) INDEX

UN SDGs	Page No.
3 GOOD HEALTH AND WELL-BEING	39, 43, 50, 52, 70, 80
6 CLEAN WATER AND SANITATION	39, 43, 50, 52, 56
7 AFFORDABLE AND CLEAN ENERGY	39, 43, 50, 52, 56
8 DECENT WORK AND ECONOMIC GROWTH	39, 43, 50, 52, 70, 80
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	39, 50, 52, 56
10 REDUCED INEQUALITIES	43
11 SUSTAINABLE CITIES AND COMMUNITIES	39, 43, 50, 52, 56
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	39, 43, 50, 52, 56
13 CLIMATE ACTION	39, 43, 50, 52, 56
15 LIFE ON LAND	39, 50, 52
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	43,
17 PARTNERSHIPS FOR THE GOALS	50, 52

INDUSTRY CONTEXT AND PERFORMANCE

MANAGEMENT DISCUSSION AND ANALYSIS

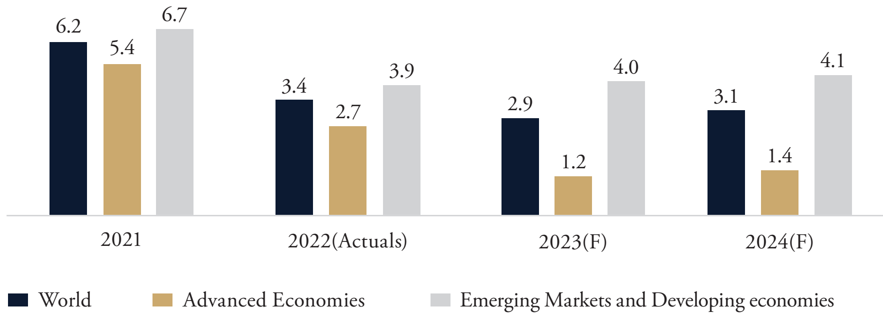
According to the IMF, the world economy grew at 3.4% in 2022 and is expected to slow down to 2.9% in 2023 before rebounding to 3.1% in 2024.

Global Economy

The Global economy has been experiencing volatility over the past year, but emerged all the more resilient. The world witnessed the most rapid economic recovery post-pandemic in 2021, backed by massive stimulus packages offered by governments across the world, resulting in strong consumer spending and some uptake in investment. This rebound started to lose momentum in 2022 as inflation pressures emerged in most economies, led by disruptions in energy, food and commodity markets. High energy prices and fuel shortages limited manufacturing of key materials and intermediate goods; and bottlenecks in production and supply chains spread to more generalised shortages of goods.

According to the IMF, the world economy grew at 3.4% in 2022 and is expected to slow down to 2.9% in 2023 before rebounding to 3.1% in 2024. The rapid removal of monetary accommodation and increase in policy rates by central banks to control high inflation are having the desired effect of restraining demand. The slowdown will be more pronounced in the advanced economies while growth in emerging markets and developing economies is expected to increase after bottoming out in 2022. Growth is expected to pick up in China in 2023 with the full reopening post pandemic-related lockdowns. Similar to global demand, world trade growth is expected to moderate in 2023 to 2.4%, despite an easing of supply bottlenecks, before rising to 3.4% in 2024.

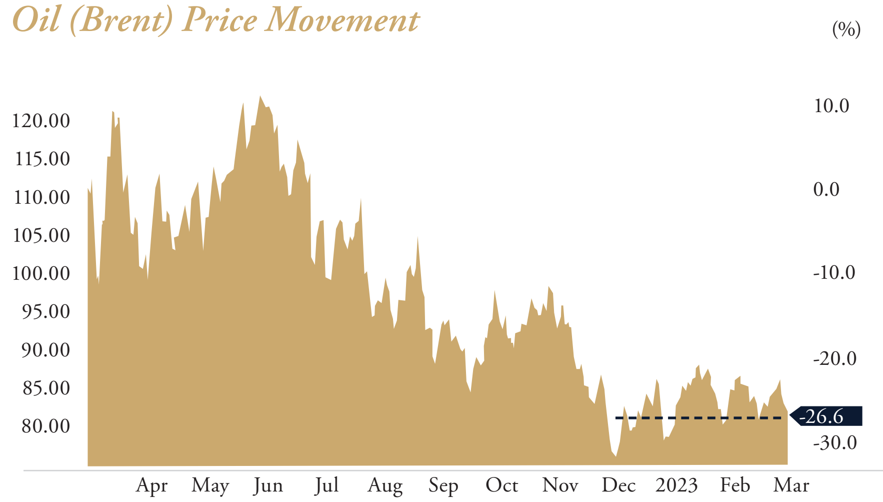
World Economic Outlook Projections (GDP growth %)



Source: World Economic Outlook, January update 2023, IMF *(F) – Forecast*

The IMF projects global inflation to fall from an average of 8.8% in 2022 to 6.6% in 2023 and 4.3% in 2024.

Oil (Brent) Price Movement



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

After rising sharply over 2021 and much of 2022, global inflation is slowing driven by falling energy and food prices. As per the IMF, oil prices are projected to fall by about 16% in 2023, while non-fuel commodity prices are expected to decline by 6.3%. Increased activity in China may also ease supply chain pressures and keep commodity prices lower.

The IMF projects global inflation to fall from an average of 8.8% in 2022 to 6.6% in 2023 and 4.3% in 2024. This is paving the way for a reduction in the pace and intensity of interest rate hikes by the world's major central banks. However, given continued underlying inflationary pressures on account of cost increase, tight labour market and resilient consumer demand, interest rates will remain elevated for a longer period of time.

The International energy agency estimates world oil demand to rise more than 2%, recording a high of 101.6 Mn barrels per day in 2023. This growth might be hindered by tightening measures by central banks as well as continued supply chain disruptions; however, a resolution of the geopolitical conflict in Eastern Europe and a relaxation of China's zero-Covid policy provides some upside potential. Continued proactive and pre-emptive efforts are expected in the global market amid a rapidly evolving market.

UAE Economy

The UAE continues to maintain its status as one of the most competitive and highly advanced economies in the world, leveraging innovative strategies to boost economic growth and diversification. The country's continued economic growth and progress across major economic development indicators showcase the stability of the UAE's financial ecosystem and the resilience of the national economy.

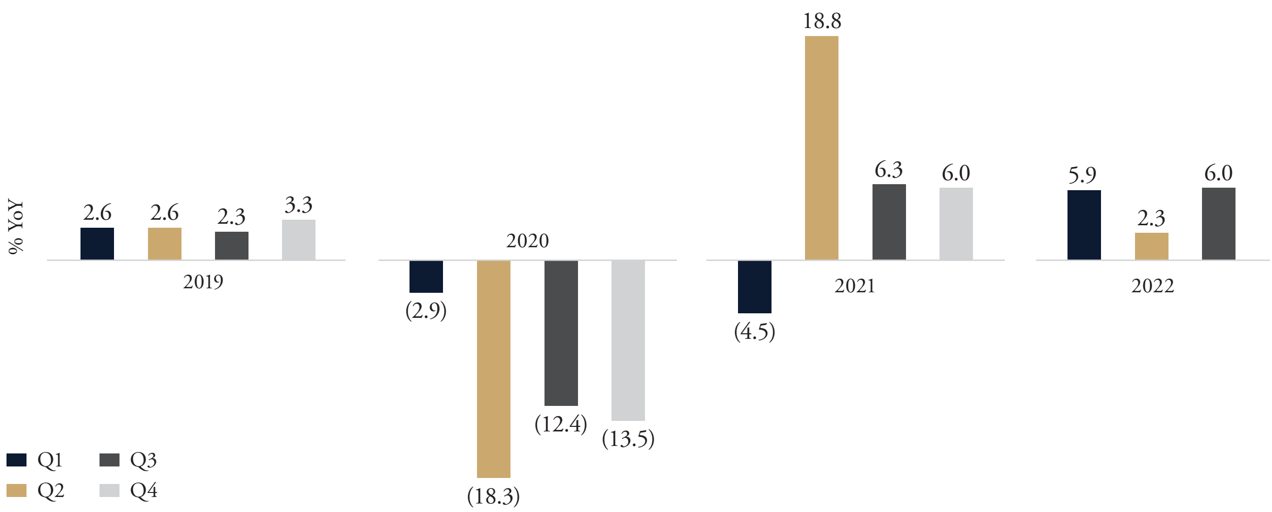
One noteworthy highlight was Dubai's continued smooth post-pandemic recovery, as evidenced by 6% Q3 2022 GDP growth. Looking ahead, Dubai is projected to play an increasingly significant role in the UAE's growth due to the recent unveiling of the Dubai government's AED 32 trillion (US$ 8.7 trillion) economic plan.

The UAE economy grew 7.6%[1] in 2022 on the back of easing of COVID restrictions leading to robust tourism, momentum from Expo 2020 Dubai, strong recovery in construction industries, as well as higher oil production. Additionally, global uncertainty led to larger financial inflows, contributing to rapid real estate price growth in some segments. Trade crossed AED 2 trillion and re-exports surpassed AED 600 Bn for the first time ever.

According to the UAE Central Bank, along with the oil price boost, increased government and private sector spending is driving GDP growth. Given the rally in oil and gas prices and the higher oil production, higher government revenue boosted public spending further in 2022.

The UAE is projected to be the fastest growing country in the Arabian Gulf in 2023 with a real GDP growth rate of 4.2%[1] with moderating inflation and non-oil sector delivering healthy growth. The inflation forecast for 2022 was 5.6% and is projected to easing down to 2.1% in 2023. The UAE's Purchasing Managers' Index (PMI) is 56.6 portraying the expanding market.

Dubai GDP grew 6.0% YoY



Source: Haver Analytics, Dubai Statistics Center. Emirates NBD Research and ICAEW Economic Update: Middle East

[1] UAE central bank

While there are increasing global economic headwinds of a strong US dollar and interest rates being at 15-year highs, the UAE's economic outlook remains healthy. The UAE's fiscal position and ease of doing business are expected to dampen the impact of global macroeconomic conditions. The Government's strategic measures, including the relaxation of foreign ownership laws and visa reforms, helped the growth momentum continue. The UAE's economy benefits from solid oil revenues in Abu Dhabi and from the dynamism of a diversified economy in Dubai, notably in the tourism, real estate, and transportation sectors. The Middle East region as a whole is more integrated than it has been for years both socially and economically, as seen during the FIFA World Cup, and 2023 is likely to bring a raft of cross-border investments along with a number of IPOs to boost capital markets, another area in which it could be an exception to the global trend.

UAE has an ambitious strategy to diversify its economy across sectors and achieve sustainable growth. These strategies are based on promoting advanced technologies including Industry 4.0, circularity, artificial intelligence, green energy, among others, and leveraging on talent and skills of its vibrant and diverse workforce. UAE remains a destination of choice for work and living for significant numbers of youth from other Arab and non-Arab countries. It is also developing its domestic capital market to support growth.

UAE Government strategies to drive sustainable growth include

01
UAE Centennial 2071

02
The Fifty Economic Plan

03
Emirates Blockchain Strategy

04
Green Growth Strategy

05
Strategy for the Fourth Industrial Revolution

06
Circular Economy Policy

07
National Program for Artificial Intelligence 2031

08
Energy Strategy 2050

The UAE is projected to be the fastest growing country in the Arabian Gulf in 2023 with a real GDP growth rate of 4.2% with moderating inflation and non-oil sector delivering healthy growth.

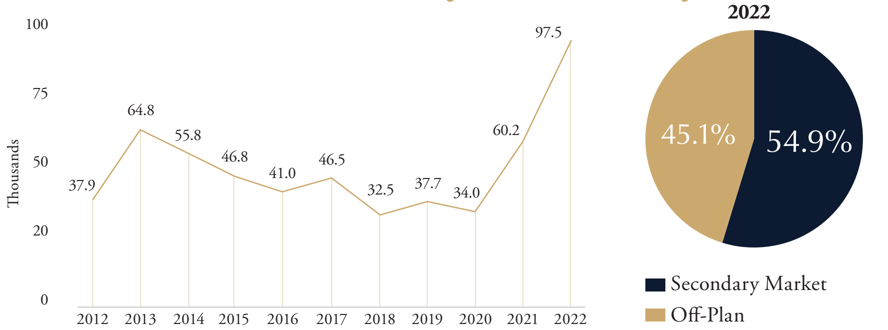
Realty Industry

The UAE's real estate and construction sector is expected to continue its growth trajectory, especially in Dubai, as the UAE government's strategies promoting industry and tourism continue to attract new talent, generate employment and strengthen its international standing. The reversion to pre-Covid employment levels, the Golden Visa laws and residency through real estate investment initiatives are drawing more investors and residents to Dubai. Dubai became the only real estate market in the MENA region to enter the "most transparent markets" category in JLL's Global Real Estate Transparency Index.

Residential Market

Dubai's real estate industry demonstrated remarkable strength in 2022, outperforming global cities despite weak global markets as investor confidence in the city remains robust. It ended the year with a record of over 97,000 transactions valued at AED 265 Bn, 78% higher than in 2021 (source: Emirates NBD).

Sales transactions: Dubai's swift Covid recovery



Source: Dubai Land Department

Opportunities and challenges in the UAE Real Estate market

Opportunities

- **Improvement in affordability**
- **Need for larger spaces**
- **Higher foreign investment**

As per JLL on the supply side, 38,000 residential units were delivered in Dubai in 2022 compared to the previous year's 40,000 units and the total residential stock of Dubai was 680,000 units with 41,000 units scheduled for completion in 2023.

The robust supply by developers was insufficient to meet the surge in demand caused by a strong economic recovery, introduction of the golden visa laws, and Expo 2020 Dubai which resulted in soaring prices.

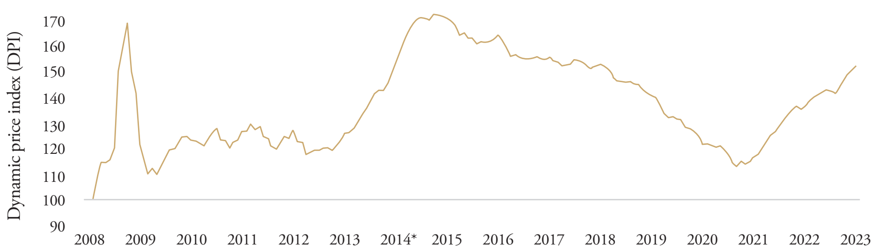
As a result, Dubai stood out in the global property marketplace with a 11% price surge in 2022. According to CBRE, as of December 2022, Dubai's average apartment prices reached AED 1,168 per sq ft and its average villa prices reached AED 1,365 per sq ft, which were 9.0% and 12.8% higher than last year respectively.

Dubai's prime real estate continued to outperform the overall market with branded residences finding favour with buyers. The average villa or townhouse sold for AED 5 Mn (US$ 1.36 Mn) in 2022, a significant increase of 28% from the previous year.

Challenges

- **Rising construction cost**
- **Inflationary trends**
- **Global economic headwinds**
- **Rising mortgage rates**

Dubai Real Estate upcycle



**Prices still lower than previous peak, however, several communities have already surpassed their 2014 figures as on March 2023*

Source: Property monitor, CBRE

Dubai's prime residential prices are forecasted to experience the strongest growth globally in 2023, with prices expected to increase by 13.5%. This is largely attributable to the influx of foreign buyers and high-net-worth individuals enticed by Dubai's safe-haven status and the abundance of luxury residences. In addition, the government's successful management of the pandemic has generated business optimism that is pushing up prime values.

Key Drivers behind Strong Residential Performance in Dubai

Dubai's long held belief of 'build and they will come' is gradually evolving into a 'build it and they will come and stay' philosophy. The city's appeal stretches right across the world. Adding to the city's appeal is its relative affordability, with prime homes transacting for around US$ 800 per sq ft, making Dubai one of the most affordable luxury residential markets in the world.

As per CBRE, in the year ahead, both the average price and rental growth rates in Dubai's real estate market will remain strong, albeit with a tendency towards moderation. In certain emerging neighbourhoods with ample supply, prices are expected to decline. Despite this, the growth rate for prime markets globally is predicted to remain the highest at 13.5% in 2023. The real estate market's fundamentals remain unchanged, and a return to stable and sustainable growth will bolster the confidence of homeowners and investors. Overall, city-wide prices remain 21.4% below the last peak in 2014.

Hospitality Market

Based on data by Dubai's Department of Economy and Tourism, there was an impressive 97% YoY increase in international overnight visitors in 2022 compared to 2021. Dubai received 14.4 Mn arrivals, almost reaching the pre-pandemic rate of 16.7 Mn seen in 2019. On top of that, the average hotel occupancy rate stood at 73%, one of the highest in the world and just shy of its 75% level in 2019 prior to the pandemic.

This positive momentum, despite lower global travel as compare to pre-Covid levels, strengthens Dubai's position as one of the world's top business and tourism destinations, driving the goal of Dubai Economic Agenda D33.

With rebounding tourism boosting the hotel sector's prospects, 2022 saw the average occupancy rate increased by 5.4%. Over the same period, Average Daily Rate (ADR) increased by 18.2%. UAE's average Revenue Per Available Room (RevPAR) increased by 27.8% First quarter of 2022 was also positively impacted due to Expo 2020 Dubai related demand have pushed up the occupancy rates to record levels.

In Dubai with the completion of around 6,800 keys in 2022, its hotel stock rose to 148,000 keys with most deliveries comprising four and five-star properties. In 2023, approximately 13,000 keys are scheduled to be added in Dubai.

The UAE now hosts one of the richest hospitality markets in the world with an expected 25% growth in the industry by 2030 and 40 Mn new visitors staying at hotels in Dubai by 2031.This growth is backed by the UAE's tourism plan to market the county as one of the world's hottest destination.

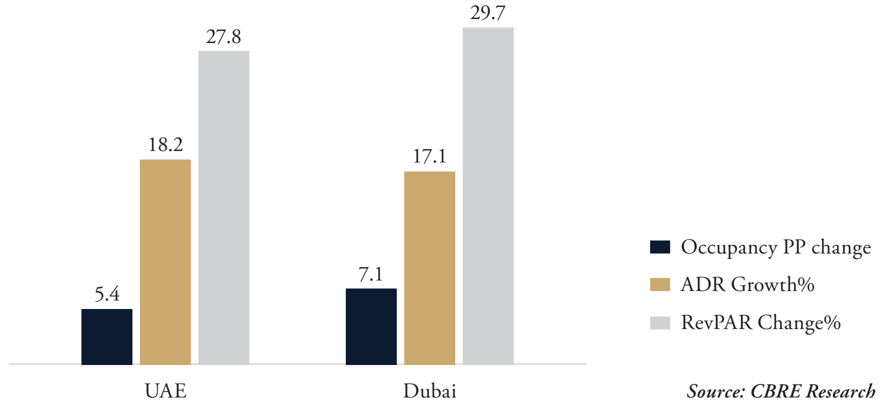
In November 2022, His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, launched a new UAE tourism strategy to increase investment to the tune of US$ 27 Bn in the sector and draw 40 Mn visitors to the country by 2031 and raise the sector's contribution to GDP to US$ 122 Bn from the current US$ 99 Bn. Also following the success of Expo 2020 Dubai, the UAE will host COP 28 in November 2023.

13.5%
Increase in average prices in the year to December 2022 - Dubai

AED 1,385
Average villa price per sq ft in Dubai

AED 1,168
Average apartment price per sq ft in Dubai

Key Performance Indicators, YoY % Change



Source: CBRE Research

13,000 keys
Planned deliveries in Dubai in 2023

148,000 keys
In Dubai as at 2022

Source: JLL MENA, Arabian Business

Retail Market

The retail property sector was hit hard by the pandemic and the increase in online shopping was thought to keep the sector subdued. On the positive side, the segment showed signs of resilience since the second half of 2021 and rents have stabilised. The demand for retail space is rising in the UAE's prime locations with average rents for super-regional malls in Dubai up by 3% YoY towards the end of the year, underpinned by increasing tourist footfalls.

Developers continue to add supply given positive market dynamics. The delivery of around 200,000 sq m of retail floorspace last year raised Dubai's total stock to 4.63 Mn sq m.

The retail market is anticipated to grow over the next few years with rising support from tourism and increasing household consumption supporting growth. More than 80 Mn visitors visit Dubai Mall alone each year.

In the retail segment, luxury, food, beverage, and entertainment sectors are the major demand drivers. Demand for Beach Clubs and Family Entertainment centres is also on the rise. Given the greater competition, malls are introducing more experiential retail concepts and are seeking to have a greater variety of outlets for visitors to their properties.

Total retail stock in 2022

4.63 Mn sq m
Dubai

Egypt's economy

The start of 2022 marked an impressive recovery from COVID-19 for Egypt, owing to its economic resilience. The Russia-Ukraine conflict provided an additional challenge to the economy, with Egypt being a net commodity importer, resulting in higher domestic prices and budgetary pressures. Despite this, Egypt's GDP is projected to remain steady at 4.5% in FY 2023.

Egypt's strategic monetary tightening, including raising interest rates to 16.2%, has helped to reduce inflation to 24.4% in 2022. Furthermore, the government has provided LE130 Bn in social mitigation packages to protect vulnerable populations from rising prices. The healthy government expenditure to GDP ratio stood at 23.1% in FY 2022 demonstrates the government's ongoing dedication to addressing the current situation.

Egyptian Real Estate Sector

Real estate is one of the hottest sectors to invest in Egypt. To improve living standards and appeal to investors, the Egyptian government has invested approximately US$ 400 Bn in infrastructure. It is now looking to increase the size of private sector from 30% to 65% by 2025 in order to increase investments. Growing population and economic expansion will keep the demand in the real estate sector buoyant. The hospitality and residential sector is recovering, boosted by public and private events and flexible payment plans in the wake of the pandemic and geo-political tensions.

Egypt's New Urban Communities Authority (NUCA) of the Ministry of Housing is currently building 20 fourth-generation cities on a total area of 243,600 hectares, expected to accommodate about 30 Mn people and provide millions of jobs. The cities are integrated in terms of the availability of services and advanced technologies in infrastructure and facilities.

Office

As per the JLL report, the Gross Leasable Area (GLA) of office space delivered was 193,000 sq m in 2022 bringing the total office stock to almost 1.9 Mn sq m. In 2021, 253,000 sq m office space was delivered. The drop in deliveries in 2022 is mainly attributed to work from home policies as well as rise in online businesses. The expected completion in 2023 is 400,000 sq m. The rent increased by 5% to US$ 347 per sq m. Over the same period Cairo's office vacancy rate dropped to 8% (from 10% in Q4 2021) due to businesses moving to a new, more modern look, mirroring the global flight to quality.

The major driver for demand for office space came from outsourcing companies looking to operate in Cairo. Since the Egyptian pound is a floating currency, landlords are also open to taking rent in USD. Also, since the cost of fit-out is expensive, tenants are looking for a long-term lease and undertaking fit-out work.

Residential

In the residential segment, the total stock stood at 246,000 units at the end of 2022 with completion of 18,000 units for the year, similar to last year, and 35,000 units are expected to be completed in 2023. Rising inflation and currency devaluation has led to a doubling of construction materials costs, causing delays in deliveries and a hike in prices.

Retail

The Egyptian retail real estate sector benefits from the continuing popularity of brick-and-mortar stores, despite a recent rise in e-commerce. Retail Space stock stood at 2.9 Mn sq m post completion of 93,000 sq m in 2022, and 0.4 Mn sq m is projected to be added in 2023. The majority of the upcoming regional and super-regional malls are located in New Cairo. Vacancy rates reduced to 10% towards the end of the year. Average rental rates in primary and secondary malls remained mostly stable and increased by 1% during 2022.

Retail Stock

2.9 Mn sq m
As on 2022

0.4 Mn sq m
To-be-delivered in 2023

India

In the past couple of years, India has emerged as the fastest-growing major economy in the world. It is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

The government of India's initiatives such as Make in India, Digital India, and PLI schemes are promoting Indian manufacturing, and digital infrastructure as well as making India a prime destination for investments.

India's real GDP grew by 8.7% in 2021 led by improvement in private consumption and resilient investment activity. As per World Bank, India is expected to grow at 6.9% in 2022 and 6.6% in 2023. The annual inflation rate in India increased to 5.72% in December 2022.

Indian Real Estate Sector

India's real estate is witnessing a healthy recovery. It contributes about 6-7% to the Indian GDP and is expected to contribute about 13% by 2025. Despite pandemic exigencies, the sector has continued to show resilience and steady growth in 2022. Covid has helped in bringing about a paradigm shift in how customers view residential properties and has reinforced the importance of home ownership. New trends emerged as a result of the pandemic are preference for larger-sized apartments, an inclination towards reputed developers, and a rising demand for township projects.

Government policy initiatives like Smart Cities Mission and AMRUT (Atal Mission for Rejuvenation and Urban Transformation) are expected to ramp up demand in residential and commercial real estate. Increasing NRI and FDI investments are also helping boost the office space segment. The Real estate industry has witnessed holistic growth across tier I, II & III cities with Tier II cities expected to show more demand backed by increasing employment opportunities.

Company Overview

Emaar Properties PJSC is one of the world's most valuable and admired real estate development companies. Emaar focuses on design excellence, build quality, and timely delivery. Emaar brand signifies the epitome of luxury and beauty. A pioneering developer of integrated master-planned communities, Emaar Group has transformed the real estate sector in Dubai.

We are a global company with a significant presence in the Middle East, Asia, and North Africa. Emaar has a land bank of 1.7 Bn sq ft in the UAE and key international markets.

As of 2022, Emaar has delivered over 92,000 residential units in Dubai and other global markets since 2002 backed by strong consumer confidence and superior project execution capabilities. Emaar has strong recurring revenue-generating assets with ~1.3 Mn sq m of leasing revenue-generating assets and 37 hotels and resorts with over 8,100 rooms (including owned as well as managed hotels). Today, 53% of Emaar's revenue is from its shopping malls & retail, hospitality & leisure, and international subsidiaries.

Downtown Dubai is Emaar's flagship development and is the world's one of the most visited lifestyle destination. It is a 500 acre neighborhood which is home to some of world's iconic mega structures like Burj Khalifa, Dubai Mall, and Dubai Fountain. Emaar's other established communities in Dubai include Arabian Ranches, Emaar Beachfront, Emirates Living, and Dubai Marina.

Emaar's strong balance sheet and revenue growth is a testament to its resilient business model with strong future growth potential. Its development, malls, hospitality, and entertainment business have strong upside potential and growing recurring revenues.

Over the years, Emaar 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 aspires to be one of the world's most valuable, innovative, and admired companies. Its goal is to be an unstoppable company that creates enormous value for the company's shareholders, stakeholders, and the economy. It wishes to deliver sustainable long-term growth and value creation. Each of our development and attractions has its unique design aesthetic, providing an aspirational lifestyle within a thriving community.

World-Renowned Architectures

Burj Khalifa
The tallest building in the world with a height of 829.8 m

Dubai Mall
One of the most visited malls in the world. Over 80 Mn visitors each year

Dubai Fountain
World's tallest choreographed musical fountain

Financial Overview

An overview of the Consolidated Results for 2022

Financial Summary

AED Mn	2022	2021 (Restated)	% YoY Change
Revenue	24,926	27,896	(11%)
Gross profit	12,587	11,592	9%
Gross profit margin %	50.5%	41.6%	-
EBITDA	9,816	8,309	18%
EBITDA Margin (%)	39.4%	29.8%	-
Net profit*	6,832	3,801	80%
Profit margin (%)	27.4%	13.6%	-
Earnings Per Share (EPS)	0.83	0.52	60%

**Attributable to Owners*

Important Consolidated KPIs for 2022

AED 35.1 Bn
(US$ 9.5 Bn)
Overall property sales (including sales related to non-consolidated JVs/JDAs)

AED 24.9 Bn
(US$ 6.8 Bn)
Revenue

AED 9.8 Bn
(US$ 2.7 Bn)
EBITDA

AED 4.3 Bn
(US$ 1.2 Bn)
International property sales

AED 6.8 Bn
(US$ 1.9 Bn)
Total Net Profit attributable to Owners

137 Mn
Footfall at Emaar Malls (Up 35.6% from 101 Mn in 2021)

Net Asset Value (NAV)

AED 138 Bn
Fair value

AED 69 Bn
Book value

AED 15.62
per share

AED 7.81
per share

53%
Recurring EBITDA

36%
Recurring revenues

Emaar Properties PJSC saw robust property sales, growth of recurring revenue business, and increased profitability in all businesses.

Consolidated Financial Analysis for 2022

Revenue

2022 saw robust property sales, increased growth of recurring revenue business, and improved profitability. Emaar's property sales backlog reached AED 53.2 Bn (US$ 14.5 Bn) as compared to AED 46.1 Bn (US$ 12.5 Bn) in 2021. Of this, AED 41.4 Bn (US$ 11.2 Bn) is in the UAE.

Gross Profit

The YoY increase of 9% in the Group's gross profit was the result of change in revenue mix with a record increase in recurring revenues.

EBITDA

The YoY increase of 18% in the Company's EBITDA was the result of a significant growth in the margins in addition to and management's judicious control of expenses. This increase in EBITDA is further supported by a higher other income and share of profit from associate entities.

Net Profit*

Emaar reported a net profit of AED 6.8 Bn (US$ 1.9 Bn) for 2022, compared to AED 3.8 Bn (US$ 1.0 Bn) for 2021, registering a YoY growth of 80%.

Debt

Emaar has a debt of AED 14.5 Bn as of Dec-22 and cash of AED 18.3 Bn.

**Attributable to Owners*

Divisional Financial Analysis

Emaar Development's Financial Performance

Property Sales and Revenue:

Emaar Development recorded revenue during 2022 amounting to AED 11.5 Bn (US$ 3.1 Bn) supported by the uptrend of the Dubai property market. Led by new project launches, Emaar Development has recorded property sales of AED 30.7 Bn (US$ 8.4 Bn) in 2022. Property sales backlog of Emaar Development reached to AED 41.3 Bn (US$ 11.2 Bn), which will be recognised as revenue in the coming years.

Gross Profit

Emaar Development has achieved gross profit of AED 5.2 Bn (US$ 1.4 Bn) supported by improved margins due to change in revenue mix, increase in pricing and control over cost. Gross margin has improved to 45% in 2022 as compared to 37% in 2021.

EBITDA

Emaar Development was able to sustain its EBITDA level despite decrease in revenue due to improved margins and significant control over expenses achieved through various cost control measures. Emaar Development achieved EBITDA of AED 4.2 Bn (US$ 1.1 Bn) in 2022 compared to AED 4.4 Bn (US$ 1.1 Bn) in 2021.

Net Profit*

Net profit increased by 17% in 2022 to reach AED 3.8 Bn (US$ 1.03 Bn), as compared to a net profit of AED 3.2 Bn (US$ 883 Mn) in 2021.

Increase in net profit is led by sustained EBITDA, savings in finance costs primarily due to settlement of debts and higher contribution to revenue from 100% owned projects resulting in lower minority interests.

Important KPIs for Emaar Development

12%
YoY increase in property sales (including sales related to non-consolidated JVs)

45%
YoY increase in revenue backlog from property sales

6,100
Units handed over in 2022

17%
YoY growth in net profit for Emaar Development

**Attributable to Owners*

International Operations' Financial Performance

Revenue

Emaar's international real estate operations recorded property sales of AED 4.3 Bn (US$ 1.2 Bn) for 2022 and contributed revenue of AED 4.2 Bn (US$ 1.1 Bn)for 2022, representing 17% of Emaar's total revenue. Property sales backlog of Emaar's international real estate operations reached AED 11.8 Bn, which will be recognised as revenue in coming years. The performance of international operations was led by successful operations in Egypt and India.

Gross Profit

The increase in the International Operations' gross profit was led by an increase in margins from a change in revenue mix. The gross profit for 2022 stood at AED 1.4 Bn (US$ 381 Mn).

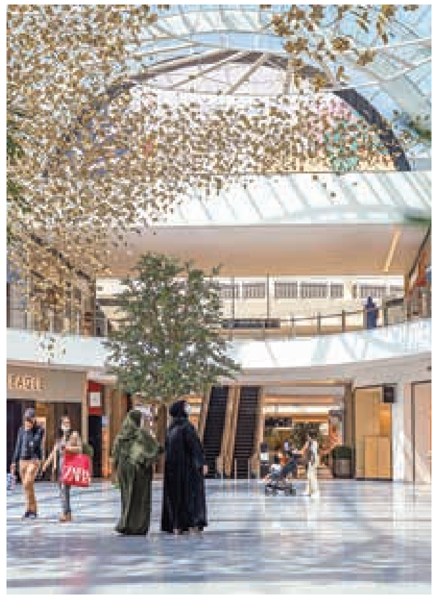
Net Profit*

Net profit contribution of the International Operations increased by over 5X due to increase in gross profits as well as other income and exercising significant control over expenses. Net profit for 2022 is AED 424 Mn (US$ 115 Mn), against net loss of AED 108 Mn (US$ 29 Mn) in 2021.

Important KPIs for Emaar International

AED 4.3 Bn
Property sales in 2022 for International Operations

5X
Net profit* growth compared to previous financial year



Emaar Malls

Property Sales and Revenue

Emaar Malls Management LLC (Emaar Malls), the wholly owned shopping malls and retail arm of Emaar, recorded 8% increase in revenues compared to the same period last year, reaching AED 5.4 Bn (US$ 1.5 Bn). All the assets of Emaar Malls have achieved record tenant sales during 2022, surpassing 2019 pre-Covid tenant sales. Leasing occupancy of Dubai Mall stood at 99% at the end of 2022.

Gross Profit

The increase in the Emaar Mall's gross profit from AED 3.6 Bn (US$ 980 Mn) in 2021 to AED 3.8 Bn (US$ 1.1 Bn) in 2022 was led by the increase in revenue.

EBITDA

Emaar Mall's 2022 EBITDA stood at 3.1 Bn (US$ 844 Mn), which was 21% higher than 2021 due to higher gross profit complemented by significant control over cost.

Net Profit*

Net profit increased by 41% in 2022 to AED 2.5 Bn (US$ 681 Mn), as compared to a net profit of AED 1.7 Bn (US$ 463 Mn) in 2021.

Important KPIs for EMAAR Malls

9.7 Mn sq ft
Malls and retail centres

137 Mn
Footfall in 2022
35% YoY in 2022

Dubai Hills Mall
Commenced operations in Feb '22 - Iconic lifestyle destination with 1.8 Mn sq ft GLA

Dubai Hills Mall

Dubai Hills Mall with ~1.8 Mn sq ft GLA, which was unveiled on 17 February 2022, features an unmatched selection of retail, dining, and entertainment concepts and has in no time become an iconic lifestyle destination. As of the end of December 2022, the Dubai Hills Mall was leased 91%.

Emaar Hospitality, Leisure & Entertainment

Revenue

The hospitality, leisure, entertainment and commercial leasing businesses of Emaar recorded revenue of AED 3.4 Bn (US$ 929 Mn) in 2022, a growth of 57% compared to last year. Emaar's hotels in the UAE, achieved strong ADRs with average occupancy levels of 69% in 2022, providing further proof of robust post-pandemic recovery.

Gross Profit

The increase in the gross profit of these businesses 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 reaching to AED 1.9 Bn (US$ 517 Mn) in 2022, a growth of 58% compared to 2021.

Emaar's recurring revenue-generating businesses of malls, hospitality, leisure, entertainment, commercial leasing and others, together achieved revenue of AED 8.8 Bn (US$ 2.4 Bn) in 2022, recording a growth of 23% compared to the same period last year. These businesses represent 36% of Emaar's total revenue and 53% of Emaar's total EBITDA.

+ Emaar's Share Capital has increased by 8% to AED 8.8 Bn (US$ 2.4 Bn) subsequent to issuance of new shares on acquisition of Dubai Creek Harbour
+ The Company has also increased the foreign ownership limit of its shares to 100%, from 49% to capitalise on high interest from international investors

**Attributable to Owners*

Summary of the Financial Position as at the end of 2022

AED Mn	2022	2021
Total Assets	132,364	120,614
Total Equity Including Minority Interest	75,426	67,742
Cash	18,289	8,539
Debt	14,498	17,872
Net Debt	(3,791)	9,333

Emaar has worked consistently over recent years to achieve a robust financial footing, positioning it well to meet the challenges of 2022 and 2023 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's 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's 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.

Business Outlook

Demand for residential property remains strong and we are uniquely positioned to make significant progress backed by our strategic initiatives to scale and enhance our returns in the future.

We are well-positioned in the markets we operate in and remain focused on developing high-margin projects and continue to create value for our shareholders. Fundamental demand drivers for real estate remain strong. The demand for housing in particular is expected to continue upwards in the medium to long term. Even in the retail and hospitality segment, with economies opening up post-pandemic, countries are witnessing increased tourists and footfall.

RISK MANAGEMENT

Amidst the challenges of an uncertain and evolving business environment, it is imperative to have in place a robust framework that systematically assesses the risks to our business, both external and internal, along with stringent measures to address them effectively.

Our rigorous assessment process allows us to pinpoint risks and gauge their significance, reduce their effect, and equip us to adapt and create a secure and stable business climate, to construct our future. We have incorporated a comprehensive and holistic enterprise-wide risk management (ERM) framework that unites external best practices and our strategic objectives while keeping our stakeholders' values and interests in mind.

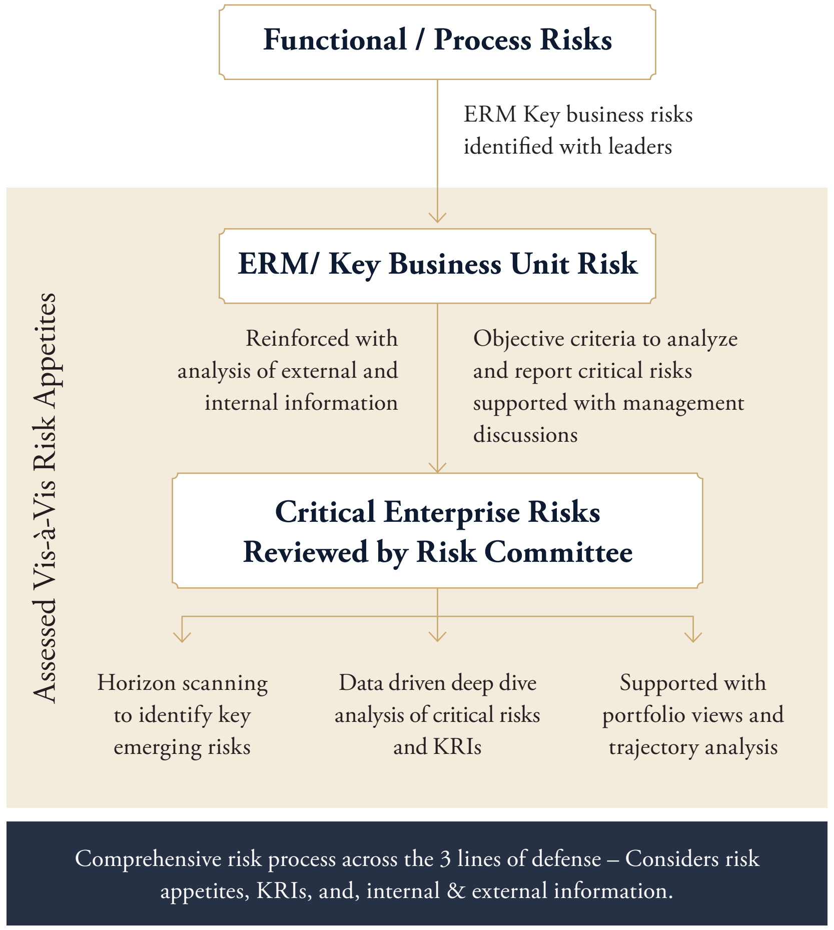
Holistic Risk Management Process

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

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

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

The Risk Management Process



Key risks and mitigation

Key risks	Risk description	Mitigation strategy	
Market Cyclicality	Unable to identify and respond to changing market dynamics	Emaar reviews its business unit and geographical location strategies and continuously scans for potential market/ economic events that can negatively impact its businesses. It monitors business performance across its portfolio on a regular basis and where necessary, it takes agile risk-informed decisions to realign its business and strategic trajectory vis-à-vis changing trends. The risk management process includes research-driven horizon scanning exercises to identify and mitigate any material adverse events. Further, Emaar maintains adequate liquidity to ensure that any adverse events can be successfully managed.	Page 96 ↗
Access to liquidity	Unable to maintain adequate levels of liquidity to support Group operations and strategic ambitions	Emaar utilises liquidity monitoring and management controls to ensure that the Group has continuous access to capital. This includes maintaining an investment grade rating, earmarking cash against project development costs, and ensuring active lines of credit with reputable financial institutes. Further monitoring processes are embedded to ensure that changes in the group's liquidity profile are timely identified and mitigated.	Page 101 ↗
Operational Risk and Hazards	Failure to provide an environment that promotes health, safety, and well-being impacts our ability to achieve our corporate and social responsibilities	Emaar is committed to the health, safety, and well-being of our people. Through various initiatives that target both physical safety and health & well-being, we empower our people to operate at a consistent standard across all our operations.	Page 70 ↗
Technology	Failure of cyber resilience and defence systems. Leakage, misappropriation, or unauthorised storage of data.	Physical and data security continue to be key focus areas globally. Emaar invests in preventative technology, continuous assessment and testing of IT controls, and education of employees to achieve a sustainable security culture.	Page 44 ↗
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, Emaar continues to invest in growing core capabilities through active talent recruitment, people management through effective engagement, and professional development, especially of key/ high calibre employees. Emaar's talent strategies focus on attracting, retaining, and growing the best people. Emaar's processes are designed to be consistent, scalable & effective, and are supported by applicable systems and technologies.	Page 71 ↗
Regulatory Compliance	Failure to actively comply with internal and external regulations	Emaar has embedded compliance controls throughout its operational and strategic processes. It has further developed a multi-tiered governance structure, with established board-nominated committees and policy documentation. Ongoing compliance is monitored by the Audit Committee, Compliance Officer, Internal Audit, and Legal teams. It also continuously scans legal and regulatory environments to identify any material changes that could negatively impact its businesses. It takes timely pre-emptive actions to align its businesses, processes, and systems to ensure effective compliance.	Page 80 ↗

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE REPORT

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

1 A clarification of the procedures adopted by the Company to satisfy the requirements of the Governance Guide in 2022, and how they were implemented:

Regarding the procedures adopted by the Company to satisfy the requirements of the Governance Guide in 2022, we would like to confirm that the corporate governance framework adopted by the Company in 2022 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 2022 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 2022 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.

Corporate Governance Report (continued)

H. Disclosure Committee

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

2 A statement of ownership and transactions of the members of the Board of Directors and their spouses and children in the Company' securities during 2022:

Name of Board Member	Relationship	Shares Owned as of 31 December 2022	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 2022.

3 Composition of the Board of Directors:

a. The Board of Directors of the Company consists currently of nine members (9) 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: 11 years*
Mr. Ahmed Jawa Vice-Chairman	Non-Executive, Non-Independent	1. Emaar Development PJSC – Board member	*Date of Appointment:* *8 March 2006* *Duration of his term as a board member: 17 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: 25 years*
Mr. Ahmad Al Matrooshi Executive Board Member	Executive, Non-Independent		*Date of Appointment:* *1 December 2005* *Duration of his term as a board member: 17 years*
Mr. Jassim Al Ali Board Member	Non-Executive, Independent	1. Jebel Ali Cement Factory (P.S.C.) – Board member	*Date of Appointment:* *22 April 2018* *Duration of his term as a board member: 5 years*
H.E. Eng. Sultan Al Mansoori Board Member	Non-Executive, Independent	1. Commercial Bank of Dubai – Vice Chairman 2. Investment Corporation of Dubai (ICD) – Board Member 3. DP World – Board Member	*Date of Appointment:* *11 April 2021* *Duration of his term as a board member: 1 year and 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	*Date of Appointment:* *11 April 2021* *Duration of his term as a board member: 1 year and 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: 1 year and 9 months*
Ms. Eman Abdulrazzaq Board Member	Non-Executive, Independent	1. Emirates NBD Group - Group Chief Human Resource Officer 2. Dubai Refreshment Company PJSC – Board member	*Date of Appointment:* *11 April 2021* *Duration of her term as a board member: 1 year and 9 months*

Experience and Qualifications of Board of Directors:

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

Mr. Jamal Bin Theniyah, Chairman:

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

Mr. Bin Theniyah joined Port Rashid in October 1981 and has progressed through the management up until May 1991 when Dubai Government merged port Rashid with Jebel Ali port under Dubai Ports Authority (DPA) and was 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.

Corporate Governance Report (continued)

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

In September 2017, Mr. Bin Theniyah 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 Emaar Properties' Risk Committee. He is also a member of its Audit Committee and its Nomination & Remuneration Committee and Investment Committee, offering advice on Emaar's global expansion plans.

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

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

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

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

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

He is a former member of the Board of 'Emaar, The Economic City' 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 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 Alabbar is a global entrepreneur with active interests in real estate, retail, hospitality, e-commerce, technology, logistics, F&B and venture capital.

Experience

Since 1997, he has been at the forefront of global real estate, leading marquee real-estate development companies such as Emaar Properties (developer of world's tallest building) and Eagle Hills (leading emerging markets real estate developer). He has spearheaded the growth of Emaar Properties attaining 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 was also the Chairman and Co-founder of RSH Limited, a leading pan-Asian and Middle Eastern marketer, distributor, and retailer of internationally renowned sports, golf, active lifestyle, and fashion brands with a portfolio of over 70 brands and a distribution network spanning more than 40 countries in the Asia-Pacific and Middle East region, as well as more than 1000 freestanding stores and shops-in-shops. Mr. Alabbar is also shareholder in Artstreet Limited which owns interests in real estate business. He is the Chairman of Zand, one of the world's first combined digital corporate and retail bank to launch from the UAE.

Education

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

Mr. Ahmad Al Matrooshi, Executive Board Member:

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.

Corporate Governance Report (continued)

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:

+ Board member Investment Corporation of Dubai
+ Vice Chairman/Board member Commercial Bank of Dubai
+ Board member DP World
+ 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.

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

Corporate Governance Report (continued)

region, enhanced by her ability to build strong external stakeholder, customer, and regulatory body relationships.

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

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

b. A clarification on women's representation in the Board of Directors in 2022:

Ms. **Eman Mahmood Abdulrazzaq** represents women in the Board of Directors for the year 2022. 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 2021:

The total remuneration of the Board members (executive and non-executive) of the Company for the year 2021 was paid as approved by the annual general meeting of the Company and set out in 2021 Corporate Governance Report of the Company.

c.2. Total remuneration proposed to be paid to members of the Board of Directors of the Company for the year 2022, in line with the Board Remuneration Policy of the Company approved by the shareholders at the annual general meeting on 1 April 2021 and which remuneration is subject to approval by the annual general meeting of the Company:

(i) AED 7,384,315 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 2022.

(iii) AED 1,771,896 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 2022.

(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.

c.3. Remuneration and allowances for attending committee meetings

Allowances paid to Board members of the Company during the year 2022 for attending meetings of Board committees:

It was decided to pay an amount of one million one hundred eighty five thousand UAE Dirhams (AED 1,185,000) as allowances for attending meetings of the Board committees for the year 2022 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 2022:

The Board of Directors held five (5) meetings during the fiscal year of 2022 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:

17 March 2022

20 April 2022

29 June 2022

5 October 2022

7 December 2022

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 2022 fiscal year, along with convening dates:

The Board of Directors issued twenty one (21) resolutions by circulation during the Fiscal Year 2022 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:

17 March 2022

17 March 2022

17 March 2022

17 March 2022

17 March 2022

17 March 2022

29 June 2022

23 May 2022

7 June 2022

11 August 2022

19 September 2022

21 September 2022

7 June 2022

5 September 2022

12 October 2022

17 March 2022

13 April 2022

7 June 2022

18 November 2022

23 December 2022

18 November 2022

f. Delegation of Authority:

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

g. Related Party Transactions:

The Company has entered into one transaction with related parties in accordance with the definitions provided for these terms in the Governance Guide, regarding the sale of Namshi Holding Limited to Noon AD Holdings Ltd Annex M 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 2022, and carried out during the year in the normal course of business on the terms agreed between the parties.

h. Organisational structure of the Company:

Please refer to Annex C attached to this report which includes the Company's organizational structure as of 31 December 2022.

Corporate Governance Report (continued)

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 2022.

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 143 countries, collectively employing more than 265,000 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 50 years through its offices in Abu Dhabi, Dubai and Sharjah, which together comprise more than 190 partners and directors and over 2,160 employees.

The KPMG Middle East, South Asia and Caspian ('MESAC') region comprises member firms operating in 21 countries and territories. The MESAC region covers more than 30 office locations and has over 10,000 professionals and associates. The MESAC region is comprised of KPMG member firms operating in: Armenia, Azerbaijan, Bangladesh, Bahrain, Egypt, Georgia, Iraq, Jordan, Kazakhstan, Kyrgyzstan, Kuwait, Lebanon, Oman, Maldives, Palestine, Pakistan, Qatar, Saudi Arabia, Sri Lanka, United Arab Emirates and Uzbekistan.

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 2022, 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 2022.

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 2022 was as follows:

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

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

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

c) **Meetings and Attendance:**

The committee held its meetings during 2022 to discuss matters relating to financial statements and other matters as follows:

9 February 2022

14 March 2022

11 May 2022

10 August 2022

9 November 2022

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 2022 was 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 meeting during 2022 as follows:

25 January 2022

10 March 2022

15 November 2022

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 2022 was as follows:

1. Mr. Mohamed Ali Alabbar (Chairman)
2. Mr. Jamal Bin Theniyah (Member)
3. H.E. Eng. Sultan Al Mansoori (Member)
4. Mr. Buti Al Mulla (Member)
5. Mr. Ahmed Jawa (Permanent invitee)

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

c) **Meetings and Attendance:**

The committee held its meetings during 2022 as follows:

17 February 2022

03 March 2022

15 March 2022

20 April 2022

18 May 2022

Corporate Governance Report (continued)

01 June 2022

10 June 2022

19 September 2022

07 December 2022

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 2022 was 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 2022 as follows:

28 March 2022

30 June 2022

22 September 2022

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 2022**

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 2022, 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 40 reports.

11 Violations:

The Company did not commit significant violations of the Governance Guide during 2022.

12 Local community development and environmental conservation:

In 2022, the company's in-kind contributions to community development and environmental preservation totaled AED 4,181,274.72 across all Emaar business units, including Emaar Entertainment, Emaar Malls Management, Emaar Hospitality Group, Emaar Communities Management, Emaar Development, and Emaar International. The company's cash contributions (CAD) in 2022 amounted to AED 800,000. An exhaustive list of Emaar's 2022 corporate social responsibility (CSR) initiatives can be found in Annex E.

13 General Information:

a. Please refer to Annex F of this report for information on the Company's share price in the financial market at the end of each month, during year 2022.

b. Please refer to Annex G regarding the comparative performance of the Company's shares as opposed to the market index and the sector index to which the company belongs, during year 2022.

c. Please refer to Annex H for categories of shareholders as of 31 December 2022.

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

e. Please refer to Annex J for categories of shareholders by reference to the size of their percentage shareholding as of 31 December 2022.

f. Please refer to Annex K for the significant events that took place in the Company in 2022.

g. There are no transactions carried out by the Company with related parties during 2022, 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 2021 and 2022 is as follows:

+ 2021: 3.2%
+ 2022:3.1%

i. Please refer to Appendix L for the list of innovative projects and initiatives implemented by the Company or which were under development during 2022.

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

Corporate Governance Report (continued)

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

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

k. Special Resolutions presented to the Annual General Meeting held in 2022 and the procedures taken in relation to the same:

By virtue of a Special Resolution, to approve the Board of Directors' recommendation to the Company to buyback a percentage not exceeding 1% of its shares with the intention of disposing of them in accordance with the decision issued by the Securities & Commodities Authority ("SCA") in this regard and authorizing the Board of Directors to do the following:

+ To execute the decision of the General Assembly within the period approved by SCA; and
+ To reduce the Company's capital by canceling those shares, in the event of expiry of the deadline set by SCA to dispose of the purchased shares, and amending the Company's capital in the Articles of Association accordingly.

By virtue of a Special Resolution, to authorize the Board of Directors to approve the voluntary contributions for the year 2022 provided that such voluntary contributions do not exceed (2%) of the Company's annual profits.

By virtue of a Special Resolution, to approve to amend few articles in the Company's Articles of Association as amended and published on the Company's website and DFM website to comply with the provisions of the Companies Law.

The Company has taken all necessary steps to implement such resolutions.

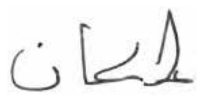
l. The name of the Board Secretary and the date of her appointment:

Mrs. Rana Mattar was appointed as Company 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.

Rana has resigned effective 05 August 2022 and we are currently in the process of appointing a new Company Secretary.

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

Director of the Internal Control Department (Acting)

Date: 26 March 2023

ANNEX A

Audit fees Table Report

Name of the audit firm and partner auditor	Sidharth Mehta - KPMG
Number of years audit firm served as external auditor of the Company	KPMG (4 years)
Total audit fees for 2022 (in AED)	330,000
Fees and costs of other special services other than auditing the financial statements for 2022 (in AED)	4,142,246
Details and nature of other services provided	2022 mainly represents audit/review fees paid to KPMG for Group entities. Non audit service mainly includes additional scope of work (mainly corporate tax impact assessment, review of integrated report and various M&A transactions and other advisory services)..
Statement of other services that an external auditor other than the company accounts auditor provided during 2022 (if any)	8,918,105

A statement of the services performed by **external auditors** other than the Company's auditor in 2022:

Name of Audit Firms	Beneficiary of the Service	2022 (AED)	Remarks
Ernst & Young	Emaar Properties PJSC, Emaar Middle East, Emaar Misr, Rove Hospitality Group, Manarat Al Manzil, DHE BTS, DHE Retail, Emaar Karachi Limited, Emaar Turkey, Emaar Tinja, Emaar DHA Islamabad Limited, At the Top, Sky Views,Casa Vida, DHE Hospitality, DHE DCP, DHE BTS	3,905,672	Represents audit fees for various subsidiaries, Tax Advisory services, valuation and other consultancy services.
Finservs Consulting	Emaar Misr	1,399,793	Pertains to income tax and other consultancy services
Deloitte & Touche (M.E.)	Emaar Hotels & Resorts,Emaar Properties PJSC,Manarat Al Manzil, Emaar Lebanon	517,597	Represents Audit, Advisory & consultancy services
Maryam Bin Belaila Auditing	Emaar Properties PJSC	4,000	Represents audit fees
N R Doshi & Partners	Emaar Malls Group	12,500	Professional fees for sales review of EMG tenants
Grant Thornton	Emaar Holding, Emaar Holding II	34,894	Represents audit fees
GMR & Associates	Cyberabad Convention Centre Pvt Ltd, Boulder Hills Leisure Private Limited and Emaar Hills Township Private Limited	25,254	Pertains to Company Secretarial Services
Ahmet Yildiz - Yildiz Mali Müşavirlik	Emaar Turkey	274,992	Relates to Consultancy fees
NAC & Associates LLP	Cyberabad Convention Centre Pvt Ltd, Boulder Hills Leisure Private Limited and Emaar Hills Township Private Limited	80,658	Pertains to ROC matters and tax Audit & Advisory
BDO India LLP	Cyberabad Convention Centre Pvt Ltd, Boulder Hills Leisure Pvt Ltd	15,182	Pertains to internal Audit
PricewaterhouseCoopers	Emaar Properties PJSC	10,101	Relates to Consultancy fees
Walker Chandiok & Co LLP	Cyberabad Convention Centre Pvt Ltd, Boulder Hills Leisure Private Limited and Emaar Hills Township Private Limited	170,827	Pertains to Audit fee, GST & other fee
Jitender Navneet And Co	Emaar India Limited	23,384	Relates to Consultancy fees
Allied Accounting And Auditing Chartered Accountants	Emaar Properties PJSC	56,000	Relates to Consultancy fees

Corporate Governance Report (continued)

Name of Audit Firms	Beneficiary of the Service	2022 (AED)	Remarks
Dhruva Advisors LLP	Emaar Properties PJSC	148,100	Relates to filing of CBCR
MCA Auditing	Emaar Properties PJSC	2,075	Relates to Consultancy fees
RightCFO Services Pvt Limited	Boulder Hills Leisure Private Limited and Emaar Hills Township Private Limited	3,508	Pertains to GST Consultancy Services
W T S Dhruva Consultants	Emaar Properties PJSC	36,731	Pertains to economic substance regulations compliance services
MSKA & Associates	Emaar India Limited	639,078	Represents Audit fees and other services
Abany & Co, AGAC and Nexia	Emaar Misr	231,473	Represents advisory fees and other services
Al Dar Audit Bureau	Emaar Middle East, Manarat Al Manzil	112,496	Represents Audit Fee
Blessed Arabia Business Service (BABS)	Manarat Al Manzil	112,343	Represents advisory fees
RSM Dahman Auditors	Emaar Malls Group	65,000	Professional fees for sales review of EMG tenants
Çınar Gayrimenkul Değerleme (Property Valuation) Başarman Global Danişmanlik Ltd.Şti	Emaar Turkey	57,045	Represents consultancy Fees
Aztek Araştirma Hizmetleri Ve Tic.Ltd.Şti	Emaar Turkey	27,945	Represents professional fees
BMS Auditing	Emaar Malls Group	22,500	Professional fees for sales review of EMG tenants
AARK & Co LLP	Emaar India Limited	20,110	Represents Tax advisory services
TRC PAMCO Middle East Auditing & Accounting	Emaar Malls Group	20,000	Professional fees for sales review of EMG tenants
Premier Brains Accounting & Auditing	Emaar Entertainment LLC	19,800	Represents Revenue & Municipality Audit
Kreston Awni Farsakh & Co.	Emaar Malls Group	19,163	Professional fees for sales review of EMG tenants
M.C.Ranganathan & Co	Cyberabad Convention Centre Pvt Ltd	14,030	Pertains to asset verfication services
NAC & Associates LLP	Boulder Hills Leisure Pvt Ltd	9,636	Pertains to ROC matters
Mohamed Siddique Kasim International Auditors	Emaar Malls Group	7,600	Professional fees for sales review of EMG tenants
HLB HAMT Chartered Accountants	Emaar Malls Group	6,250	Professional fees for sales review of EMG tenants
PKF - Chartered Accountants (Dubai BR).)	Emaar Malls Group	4,700	Professional fees for sales review of EMG tenants
Youssry & Co. Auditing & Consultancy	Emaar Malls Group	4,000	Professional fees for sales review of EMG tenants
Others	Emaar DHA Islamabad Limited, Emaar Karachi Limited, Emaar Lebanon, Indian subsidiaries, Emaar Malls Group	803,668	Relates to tax related consultancy, consultancy and advisory fees
	Total	**8,918,105**	

ANNEX B-1

Board members' attendance to the committee meetings and the allowances[1] paid to the Board members for the year 2022

		Nomination & Remuneration Committee		Audit Committee		Risk Committee		Investment Committee	
	Name	Attendance	Allowance	Attendance	Allowance	Attendance	Allowance	Attendance	Allowance
1	Mr. Jamal Bin Theniyah	-	-	-	-	-	-	9	155,000
2	Mr. Ahmed Jawa	3	45,000	5	100,000	3	75,000	6	90,000
3	Mr. Mohamed Ali Alabbar	-	-	-	-	-	-	5	-
4	Mr. Ahmad Al Matrooshi	-	-	-	-	-	-	-	-
5	Mr. Jassim Al Ali	-	-	5	100,000	3	60,000	-	-
6	H.E. Eng. Sultan Al Mansoori	-	-	5	125,000	-	-	9	135,000
7	Mr. Helal Al Marri	3	45,000	-	-	3	60,000	-	-
8	Mr. Buti Al Mulla	-	-	-	-	-	-	9	135,000
9	Ms. Eman Abdulrazzaq	3	60,000	-	-	-	-	-	-

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

[1]Allowances amount in AED

[1] Allowances amount in AED

Corporate Governance Report (continued)

ANNEX B-2

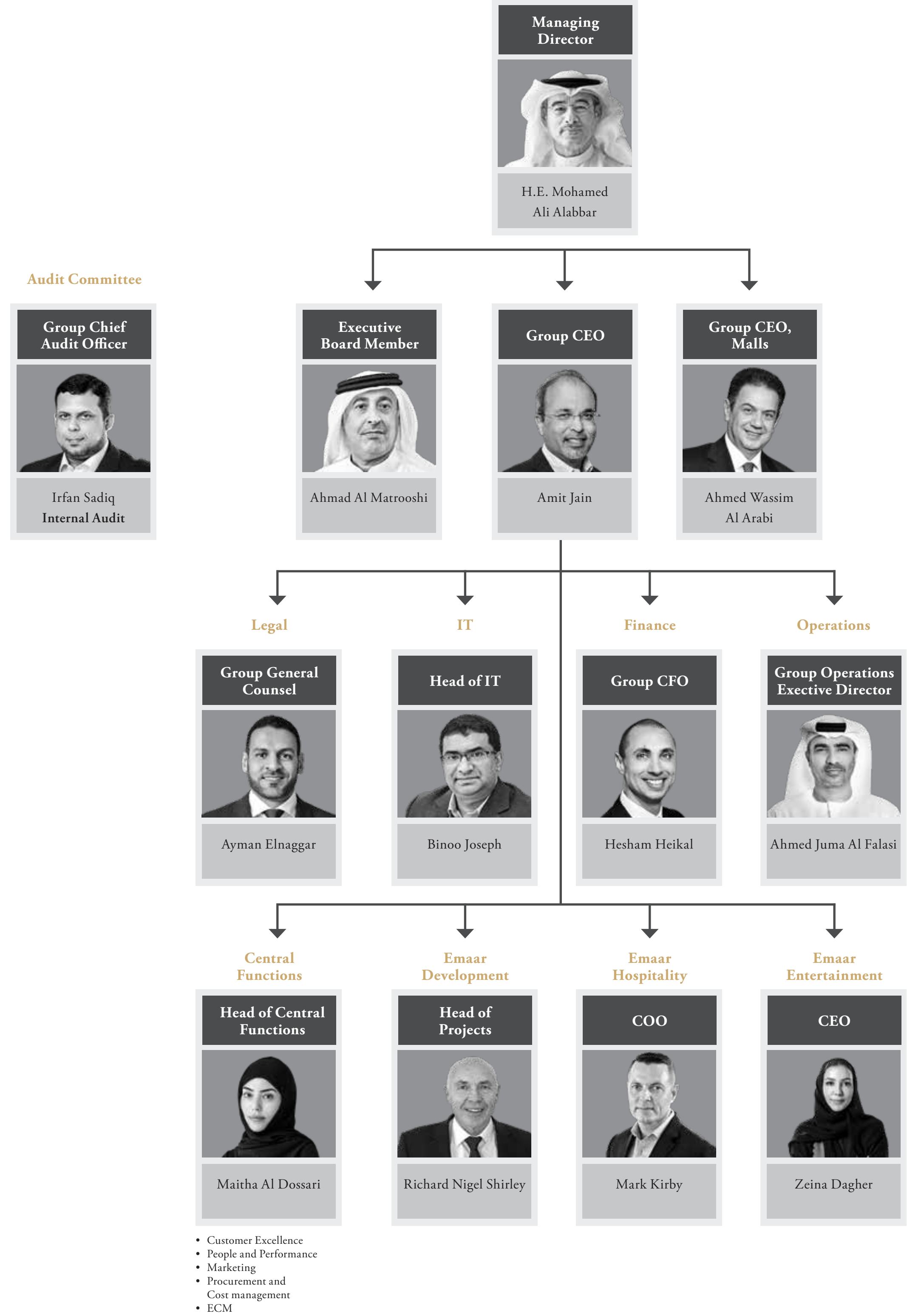
Attendance of Board Meetings

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	5
Mr. Helal Al Marri	5
Mr. Buti Al Mulla	5
Ms. Eman Abdulrazzaq	5

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

ANNEX C

Organisational Structure of the Company as of 31 December 2022



Corporate Governance Report (continued)

ANNEX D

Senior Executive Employees

SN	Position	Date of Appointment	Total Salaries and Allowances paid in 2022 (AED)	Total Bonuses paid in 2022 (AED)
1	Managing Director	1 January 1997	12,000,000	36,000,000
2	Executive Board Member	1 November 2005	2,469,233	2,456,782
3	Group Chief Executive Officer	1 May 2006	5,007,933	9,291,183
4	CEO, International	1 September 2015 (left the company on 7 June 2020)	1,270,568	2,448,279
5	Group Chief Financial Officer	22 November 2020	2,284,487	1,304,743
6	Executive Director, Group Operations	10 March 2002	2,479,785	3,076,401
7	Head of Central Functions	10 September 2000	2,553,406	3,517,709
8	Group Chief Executive Officer, Emaar Malls	1 February 2022	2,585,000	1,869,777
9	Group General Counsel	13 April 2021	1,120,628	269,885
10	Group Chief Audit Officer	14 May 2014	1,622,095	1,623,925
11	Head of Information Technology	19 November 2020	1,537,879	749,553
12	CEO, Entertainment	12 November 2008	1,568,927	1,206,789
13	Chief Operating Officer, Emaar Hospitality	16 November 2014	1,176,049	1,037,446

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 business travel and related logistical expenses reimbursement amounting to AED 8,883,271 in line with the Board Remuneration Policy of the Company.

ANNEX E

Our Commitment

Since 2004, Emaar Properties has established a culture of corporate social responsibility, which began with providing assistance to welfare groups in UAE communities as part of Emaar's CSR programme. Today, its outreach has gone beyond the UAE border to reach a host of different countries and different categories.

Our corporate social responsibility (CSR) strategy aims at:

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

Our Initiatives in 2022

World Autism Awareness Day - April

In collaboration with Dubai Autism Center, we have invited kids and their guardians for a special visit to KidZania and Dubai Aquarium & Under Water Zoo. We also lit up Burj Khalifa with a special LED projection to honour this day and spread awareness. The campaign was supported with media and PR coverage.

World Down- Syndrome Awareness Day - March

On this day, we invited kids with Down Syndrome and their families to visit KidZania and Dubai Aquarium & Under Water Zoo. To honour this day and spread awareness we lit up Burj Khalifa with a special LED projection to support the cause. The campaign was supported with social media posts and media coverage.

Breast Cancer Awareness Month - October 2022

Several special activations were held during the month of October to raise awareness of Breast Cancer in many of our venues across Emaar Entertainment, Emaar Malls, and Emaar Hospitality Group, including a special LED projection on Burj Khalifa.

Earth Hour - March 2022

Burj Khalifa marked Earth Hour by turning off its lights in an effort to raise awareness and create a greener, brighter tomorrow.

Emaar Hospitality

Throughout 2022, Address and Vida Hotels and Resorts supported a variety of causes through the organisation of community-based events involving both guests and local communities:

+ Pink October activations
+ Dubai Fitness Challenge activations
+ Women's Day activations including Emirati Women's day
+ Observing Earth Hour in all hotels and resorts
+ Supporting the Dubai Can initiative by eliminating single-use plastic bottles
+ Hosting Ramadan iftars for construction site workers in our upcoming hotels

Emaar Entertainment

+ Complimentary yoga sessions with influencers and members of the media at Sky Views' Glass Walk, in collaboration with the Dubai Sports Council.
+ The Dubai Turtle Rehabilitation Project at Dubai Aquarium & Underwater Zoo in collaboration with Jumeirah Group.
+ A Burj Khalifa LED projection promoting global anti-drug awareness in collaboration with Dubai Police.
+ Free fitness classes during the 30x30 Dubai Fitness Challenge at Zabeel Sports District.
+ A fun-filled day at The Storm Coaster during the No Scream Challenge in collaboration with local schools.
+ The Choose to Reuse initiative in a collaboration between Dubai Municipality and Dubai Aquarium & Underwater Zoo.
+ A complimentary dinner the Dubai Hills Estate community residents for the launch of The Hills Eatery.
+ Hosting a visit to Burj Khalifa in collaboration with the Friends of Orphans association.
+ Hosting complimentary student classes at Reel Cinemas in collaboration with GEMS Schools.

Corporate Governance Report (continued)

- Celebrating KidZania's anniversary by offering free tickets to children born on January 20 for their 12th birthday.
- Hosting the Ekart Zabeel League for five weeks.

Emaar Malls

- June (26 – 28) – Dubai Mall supported Dubai Police International Day Against Drug Abuse campaign. Activation in Star Atrium included interactive education and entertainment.
- July (3) – In support of International Plastic Free Day, Dubai Mall, Dubai Marina Mall and Dubai Hills Mall guests were gifted an eco-friendly reusable bag specifically designed by a local artist and distributed by our guest service teams.
- July (9 – 13) – In celebration of Eid Al Adha, Dubai Mall guests were gifted with Emaar Gift Cards as part of an 'Eidiya' initiative led by macro influencer Khalid Al Ameri (2.2M Followers)
- August (28) – In honour of Emirati Women's Day, over 40+ tenants across the malls offered complimentary delights to celebrate the occasion.
- September (27) – Dubai Mall hosted Dubai Police World Tourism Day on the promenade.
- October (11 -16) – Dubai Mall hosted the Ministry of Development & Communities event at Star Atrium.
- October / November (29 Oct – 27 Nov) – In celebration of the Dubai Fitness Challenge, Dubai Marina Mall and Dubai Hills mall hosted 15+ days of free fitness classes in collaboration with tenants. Dubai Mall, in collaboration with Dubai Tourism, supported the annual Dubai Ride and Dubai Run event
- November (3) – In recognition of UAE Flag Day, Dubai Civil Defense distributed flags and chocolates to Dubai Mall guests.

Emaar Community Management

Sustainable Initiatives:

FROM THE DATE PALM TREE TO A PLASTIC FREE UAE

Collection of fronds from October to November across the communities in a symbiotic partnership of Emaar with Palmade, a Dubai based manufacturer of disposable cutlery made from natural materials including the leaves from the date palm tree with limited, if not zero, operational impact.

Emaar Community Management's Events & Activities Throughout 2022:

BBQ Nights, Outdoor Cricket Tournament, Fire Safety Workshop, Community Garden Challenge, Movie Nights, Basketball Tournament, The Greens and Views Bazaar, Holi, Mother's Day, Iftar at all community mosques, Ramadan Night Markets in several communities, Community Iftar, Squash Tournament, Quiz Night, Kill The Bill contest, Eco Kids Arts & Sculpture Contest, Gardening Workshop, Dandiya Garba Diwali Night at DHE, Indoor Cricket Tournament, Dandiya Garba Diwali Nights, Badminton Tournament, Back To School Splash Party, Diwali Home Decoration Contest, Festival of Lights, Halloween activities, National Day Run, Family Run, Fitness Challenge activities, Fitness Week, Fitness Challenge/Jazz By the Lake, Billiards Tournament, Winter Wonderland, Christmas Market.

ANNEX F

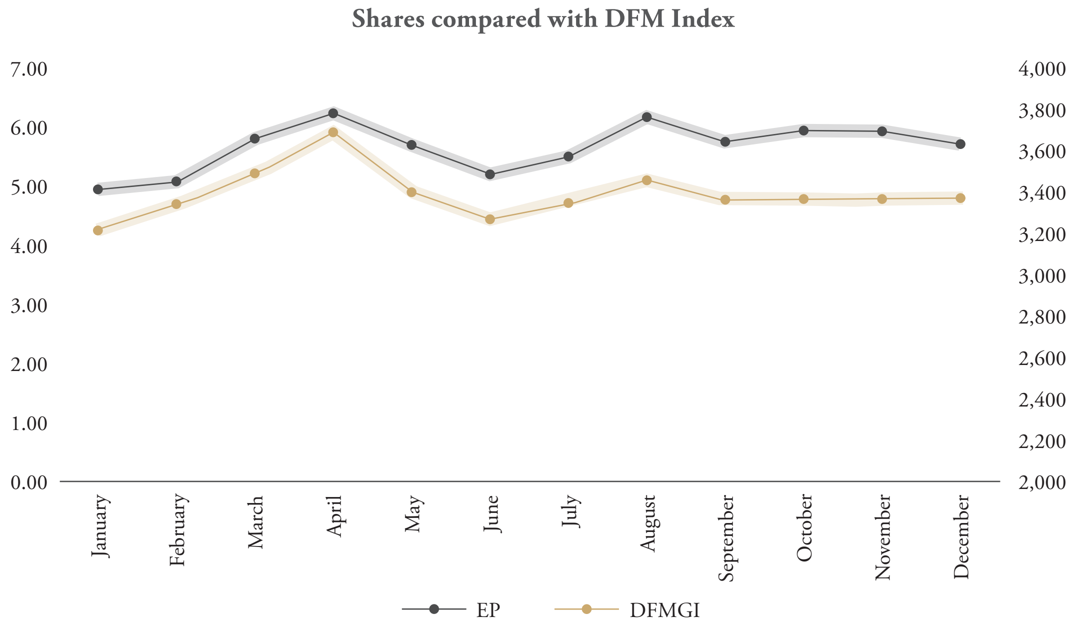
Company Share Price in the Market (Closing Price, Highest Price, Lowest Price) at the end of each month during the year 2022.

2022	Highest price	Lowest price	Closing price
January	5.04	4.62	4.86
February	5.12	4.69	5.08
March	6.15	5.04	6.00
April	6.47	5.76	6.38
May	6.45	5.40	5.71
June	5.90	5.06	5.20
July	5.53	4.87	5.50
August	6.28	5.34	6.26
September	6.60	5.68	5.79
October	6.26	5.22	6.06
November	6.38	5.84	6.08
December	6.30	5.70	5.86

Corporate Governance Report (continued)

ANNEX G

Comparative performance of the Company's shares with the market index and the sector index to which the Company belongs during 2022



ANNEX H

Categories of Shareholders as of 31 December 2022 (Individuals, Companies and Governments) classified as follows: UAE, GCC, Arab, foreign

	Percentage of Shares Owned			
Shareholder Category	**Individual**	**Companies**	**Government**	**Total**
UAE	15.7349%	20.2324%	23.6760%	59.6433%
GCC	1.0996%	3.2275%	-	4.3271%
Arab	1.0635%	0.0375%	-	1.101%
Foreign	1.0440%	31.1634%	2.7212%	34.9286%
Total	**18.9420%**	**54.6608%**	**26.3972%**	**100%**

Corporate Governance Report (continued)

ANNEX I

Shareholders holding 5% or more of the capital of the Company as of 31 December 2022

Name of Shareholder	Number of Share Held	% of Shares Held of the Capital
Investment Corporation Dubai	1,968,605,691	22.27%
DH 7 LLC	659,050,967	7.46%
Total	**2,627,656,658**	**29.73%**

ANNEX J

Categories of Shareholders According to the Size of their Percentage Shareholding as of 31 December 2022

Share(s) Owned	Number of Shareholders	Number of Share Held	% of Shares Held of the Capital
Less than 50,000	41,039	344,094,704	3.89%
From 50,000 to less than 500,000	3,717	530,143,453	6.00%
From 500,000 to less than 5,000,000	818	1,291,105,391	14.61%
More than 5,000,000	212	6,673,446,301	75.50%
Total	**45,786**	**8,838,789,849**	**100%**

Corporate Governance Report (continued)

ANNEX K

Significant Events of the Company during 2022

Emaar Properties held the following sponsorships in 2022:

Name	Date
Al Hilal Football Club	2021-2022 Season
American University of Sharjah	May
Dubai World Cup 2022	March
Emaar Master Cup 2022	February
Future Investment Initiative	October
Sail GP	November
Enigma Event Sponsorship 2022	July

Emaar Properties held the following major events in 2022:

Name	Date
Emaar NYE 2022	December
AGM	April
EGM	September

ANNEX L

Innovative Projects and Initiatives implemented by the Company during 2022

1. **Intrapreneur Program**
   + After the success of Intrapreneur program in Dubai, we have launched Intrapreneur program across India, Pakistan and Turkey.
   + Viima App was used as the main portal to submit new ideas and record comments, likes and share. The portal recorded 376 ideas, 1900+ comments, and 2900+ likes related to Intrapreneur International Challenges.
   + The Challenge was launched in all three countries to invite ideas in three categories; to improve EBITDA/Sales/Revenue, guest satisfaction and operational efficiency. 6 ideas were shortlisted and presented to the Innovation Committee and at the end of the evaluation, 2 winners were selected.

2. **Emaar Talent Programs for all grade levels**
   + **Leadership Succession & 6-month Executive Coaching (Grade 10 and above)** – completed in Dubai with 6 Executive Leaders and International with 14 identified leaders from 4 countries.
   + **Harvard Spark Program for Grade 9 and above Leaders** – 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** – 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** – Provided 2100 licensed users access to a wide range of modules and learning videos. 1,824 LinkedIn Courses completed till end of December 2022.
   + **Rapl Rapid Micro-bite sized learning for Grade 1 to 4** – Online platform where each employee will get a personalized queue of learning. 400+ Quizzes Live at the portal and there are 4700+ licensed users activated till end of December 2022.

3. **Emaar Playbook Project**
   + Developed 60+ playbooks for Turkey, Pakistan, India and hospitality business 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.

4. **Employee Development:**
   + 200+ trainers were certified in the organization to conduct training workshops for other employees.
   + 200+ Individual development plans (IDPs) were created for all the critical employees identified across the organisation, including 80+ IDPs for Emirati employees.
   + Launched Internal Jobs Platform to encourage employees to apply to internal positions and move laterally across the organization.

5. **Emiratization**
   + Launched Emiratization Drive to focus on hiring young UAE nationals across the group. 89 Emiratis were offered trainee roles in December to join in January 2023.
   + Attended Emirati career Fairs where an AI based recruitment tool was piloted successfully.
   + Launched Emirati Graduate Management program and successfully onboarded 5 Emirati top graduates in 2022.
   + Launched Emirati summer internship program and offered internship of 8 weeks to 11 weeks to 14 Emirati students from top colleges in UAE.

Corporate Governance Report (continued)

ANNEX M

Statement of the Related Parties Transactions in accordance with the International Financial Reporting Standards (IFRS) as listed in the Consolidated Financial Statements of the Company for the year ended 31 December 2022

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:

	2022 AED'000	2021 AED'000 (Restated)
Associates and Joint Ventures:		
Property development expenses	21,287	31,742
Islamic finance income	2,120	2,229
Selling, general and administrative expenses	10,013	13,146
Revenue from leasing, retail and related income	197	273
Cost of revenue	85,126	106,051
Other operating income	5,604	6,605

	2022 AED'000	2021 AED'000 (Restated)
Directors, Key management personnel and their related parties:		
Selling, general and administrative expenses	100,566	159,193
Rental income from leased properties and related income	77,194	79,816
Finance costs	56,022	44,328
Cost of revenue	14,141	11,755
Other income	-	3,000
Other operating income	38,038	23,703
Property development expenses	24,240	-

Related party balances

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

	2022 AED'000	2021 AED'000
Associates and Joint Ventures:		
Trade and other payables	7,877	14,978
Trade and unbilled receivables	1,305	1,671
Advance from customers	4,104	-

	2022 AED'000	2021 AED'000
Directors, Key management personnel and their related parties:		
Trade and unbilled receivables	7,483	2,897
Other assets, receivables, deposits and prepayments	66,047	151,772
Trade and other payables	422,070	694,398
Advance from customers	3,117	4,312

Compensation of key management personnel

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

	2022 AED'000	2021 AED'000
Short-term benefits	223,143	219,799
Employees' end-of-service benefits	11,393	8,545
	234,536	228,344

During the year, the number of key management personnel is 167 (2021: 160).

During the year, the Company has paid a bonus of AED 9,199 thousands to the non-executive members of the Board of Directors for the year 2021 as approved by the shareholders at the Annual General Meeting of the Company held on 20 April 2022 (2021: AED 9,329 thousands).

CONSOLIDATED FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The Board of Directors of Emaar Properties PJSC (the "Company") has the pleasure in submitting the consolidated statement of financial position of the Company and its Subsidiaries (the "Group") as at 31 December 2022 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 2022.

Principal activities

The principal activities of the Group during the year ended 31 December 2022 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 6,832 million for the year ended 31 December 2022.

In accordance with the Articles of Association of the Company and applicable UAE Federal Law, AED 683 million is transferred to general reserve from the distributable profit of AED 6,832 million.

The transfer to statutory reserve from the distributable profit has been suspended as the reserve has reached 50% of the paid-up share capital. However, during the year, in compliance applicable UAE Federal Law, AED 3,091 million, has been credited to statutory reserve, being the excess of agreed value of the Company's shares over the nominal value per share issued to Dubai Holding Group as part consideration for acquisition of Dubai Creek harbour LLC by the Company.

The Board of Directors of the Company has proposed a cash dividend of 25% of share capital, which is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

The balance of the distributable profit after considering appropriation to general reserve and proposed dividend (subject to approval of the shareholders at the Annual General Meeting) will be transferred to retained earnings. Total equity attributable to owners of the Company as at 31 December 2022 amount to AED 68,998 million prior to proposed dividend.

Outlook for 2023

Our record performance in 2022 bears out Dubai's continuing appeal to tourist and professionals who choose to visit or stay and build their lives here. Consolidating the high-growth trend, Emaar achieved record property sales of AED 35,069 million (including joint ventures) in 2022. This is a testament of customers' trust in Emaar's brand. Emaar now has a significant revenue backlog of over AED 53,199 million (including joint ventures) to be recognised as revenue over the coming years.

We have seen tremendous growth in all our segments, with resurgence in tourism and business. Emaar now has a robust domestic and international pipeline of units under development, with several iconic landmarks already rolled out or at the development stage. The Group's revenue backlog from real estate sale together with its recurring revenue streams continue to provide stability of revenues and profitability for the coming years.

One of our strategic targets is to be a sustainability leader in the real estate business. We have already started seeing results in clean water, affordable renewable energy, waste management, and process optimisation.

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 2022. The Board of Directors has recommended KPMG as the auditors for 2023 for approval by the shareholders at the forthcoming Annual General Meeting.

On behalf of the Board

Jamal Bin Theniyah
Chairman
Dubai, United Arab Emirates
16 March 2023

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 2022, the consolidated income statement, the 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 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current 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

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:

+ 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.

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.

Considering the inherent risks around the existence and accuracy, rental income from leased properties warrants additional audit focus.

How the matter was addressed in our audit

+ We have assessed the appropriateness of the revenue recognition accounting policies adopted by the Group and its compliance with International Financial Reporting Standards ("IFRS");
+ Obtained an understanding of the revenue process implemented by the Group;
+ We have performed test of design and implementation of relevant controls;
+ On a sample basis, we have assessed the contracts for sale of properties to identify the performance obligations of the Group under these contracts and assessed whether these performance obligations are satisfied over time or at a point in time based on the criteria specified under IFRS 15;
+ On a sample basis, we have assessed the appropriateness of percentage of completion of the construction of properties by reference to costs incurred to date compared to the estimated total costs where the performance obligation is satisfied over time;
+ On a sample basis, we have 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;
+ Inquired with the management with respect to any concerns or disputes for sales and collections from customers, along with status of exposures and default rates. Furthermore, on a sample basis, traced collections made during the year are appropriately applied;
+ On a sample basis, we tested lease agreements to ensure the existence and accuracy of the revenue recognised during the year and it's compliance with IFRS;
+ 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.

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

Refer to notes 2.2, 2.4,12 and 17 to the consolidated financial statements

The key audit matter

The Group holds development properties both for completed projects and projects under construction and investment properties (collectively referred to as "the properties"). Determining the value of these properties is a significant judgement area and is underpinned by a number of assumptions.

Development properties are stated at the lower of cost and estimated net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Investment properties are measured at cost less accumulated depreciation and impairment if any.

The Group engages professionally qualified external valuers to assess the value for a substantial portion of its properties. This process of assessment of the value involves significant judgement in estimating the underlying assumptions to be applied. A combination of global inflationary pressures, higher interest rates and recent geopolitical events have potential for greater volatility in property markets over the short-to-medium term, requiring management to closely monitor the assumptions and its impact on the value.

Assessment of the value requires management to make significant estimates and judgements. This coupled with existence of market volatility, warrants specific audit focus in this area as any error in determining the value could have a material impact on the carrying value of the Group's properties in the consolidated financial statements.

How the matter was addressed in our audit

+ We have evaluated the qualifications and competence of the external valuer 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 net realisable value are reasonable by comparing it to the underlying supporting information;
+ We have performed sensitivity analysis on the significant assumptions to evaluate the extent of the impact of changes in the key assumptions to the conclusions reached by management;
+ We have assessed if there are any significant triggers during the audit period that would have a material impact on the value of the properties; and
+ We have assessed the adequacy of the disclosure in the consolidated financial statements.

Independent Auditors' Report (continued)

Asset acquisition

See Note 2.1, 2.2 and 2.4 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
On 11 August 2022, the Board of Directors resolved that they had agreed terms in respect of the acquisition of Dubai Creek Harbour LLC (DCH) from Dubai Holdings LLC ("the transaction"), as described in note 2.1 to the consolidated financial statements. The conditions precedent (CPs) for the aforesaid transaction were satisfied on 8 December 2022 and DCH is consolidated as a wholly owned subsidiary of the Company as at 31 December 2022. Accounting for acquisition has involved significant judgment in order to: + determine whether the acquisition constitutes a business or is in the nature of an asset acquisition; + identify and measure the fair value of the identifiable assets acquired and liabilities assumed; and + allocate the purchase consideration; Accordingly, due to the factors noted above and that the transaction represents a material acquisition for the Group, this is considered as a key audit matter.	+ Obtained and reviewed the Sale and Purchase Agreement ("the agreement") to obtain an understanding of terms of the transaction, appropriate approvals and authorization and key conditions mentioned therein; + Inspected minutes of meetings of Investment Committee, the Board of Directors and Shareholders to ensure appropriate approvals, including regulatory approvals of the transaction; + Inspected the report by a management appointed external valuer on determination of value of assets in DCH; + We have evaluated the qualifications and competence of the external valuer 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; + Obtained and assessed management conclusion on accounting for acquisition of DCH and evaluated the conclusion that the transaction is an asset acquisition as the definition of business is not met against the principles of IFRS 3 Business Combinations; + Assessed appropriateness of allocation of purchase consideration to identifiable assets and liabilities of DCH, based on their relative fair values at the date of acquisition; + We involved our real estate valuation specialist, who on a sample basis, reviewed valuation methodologies used in the valuation of non financial assets acquired 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; and + We have assessed the adequacy of the disclosure in the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Integrated 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 Integrated 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 identified above when it becomes available 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 that 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 Standards, and their preparation in compliance with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

+ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
+ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
+ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
+ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
+ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
+ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Decree Law No. 32 of 2021 we report that for the year ended 31 December 2022:

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

ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021;

iii) the Group has maintained proper books of account;

Independent Auditors' Report (continued)

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

v) as disclosed in note 2.1, 13 and 15 to the consolidated financial statements, the Group has purchased shares during the year ended 31 December 2022;

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 2022 any of the applicable provisions of the UAE Federal Decree Law No. 32 of 2021 or in respect of the Company, its Articles of Association, which would materially affect its activities or its consolidated financial position as at 31 December 2022; and

viii) note 6 to the consolidated financial statements discloses the social contributions made during the year ended 31 December 2022.

KPMG Lower Gulf Limited

Fawzi AbuRass
Registration No.: 968
Dubai, United Arab Emirates

Date: 16 March 2023

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2022

	Notes	2022 AED'000	2021 AED'000 (Restated)*
		(US$ 1.00 = AED 3.673)	
Revenue	5	**24,925,674**	27,896,172
Cost of revenue	5	**(12,338,362)**	(16,304,344)
GROSS PROFIT		**12,587,312**	11,591,828
Other operating income		**419,885**	394,669
Other operating expenses		**(160,038)**	(141,741)
Selling, general and administrative expenses	6	**(3,521,797)**	(4,052,380)
Depreciation of property, plant and equipment	16	**(577,091)**	(614,003)
Depreciation of investment properties	17	**(692,077)**	(624,623)
Finance income	7(a)	**1,057,330**	429,857
Finance costs	7(b)	**(981,389)**	(1,279,959)
Other income		**696,685**	218,620
Share of results of associates and joint ventures	15	**214,289**	353,631
Impairment, net		**(566,101)**	(190,669)
PROFIT BEFORE TAX		**8,477,008**	6,085,230
Income tax expenses	8	**(338,161)**	(407,164)
PROFIT FOR THE YEAR		**8,138,847**	5,678,066
ATTRIBUTABLE TO:			
Owners of the Company		**6,832,049**	3,800,661
Non-controlling interests		**1,306,798**	1,877,405
		8,138,847	5,678,066
Earnings per share attributable to the owners of the Company:			
- basic and diluted earnings per share (AED)	28	**0.83**	0.52

* Certain amounts shown here do not correspond to 2021 consolidated financial statements and reflect adjustments made as detailed in Note 2.2

The accompanying notes 1 to 36 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

(US$ 1.00 = AED 3.673)

	2022 AED'000	2021 AED'000 (Restated)*
Profit for the year	**8,138,847**	5,678,066
Other comprehensive income /(loss) items to be reclassified to income statement in subsequent periods:		
Increase/ (decrease) in unrealised gains/ (losses) reserve	**4,919**	(10,488)
(Decrease) / increase in foreign currency translation reserve	**(2,436,632)**	3,404
Net other comprehensive income/(loss) items to be reclassified to income statement in subsequent periods	**(2,431,713)**	(7,084)
Other comprehensive income /(loss) items not to be reclassified to income statement in subsequent periods:		
Increase in unrealised gains reserve	**309,100**	21,877
Realised (loss) / gain on fair value movement through other comprehensive income	**(386,544)**	17,374
Net other comprehensive (loss) / income items not to be reclassified to income statement in subsequent periods	**(77,444)**	39,251
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**5,629,690**	5,710,233
ATTRIBUTABLE TO:		
Owners of the Company	**4,624,376**	3,846,176
Non-controlling interests	**1,005,314**	1,864,057
	5,629,690	5,710,233

* Certain amounts shown here do not correspond to 2021 consolidated financial statements and reflect adjustments made as detailed in Note 2.2

The accompanying notes 1 to 36 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

(US$ 1.00 = AED 3.673)

	Notes	31 December 2022 AED'000	31 December 2021 AED'000 (Restated)*	1 January 2021 AED'000 (Restated)*
ASSETS				
Bank balances and cash	9	**18,289,188**	8,538,858	6,210,542
Trade and unbilled receivables	10	**22,218,348**	16,586,056	11,148,776
Other assets, receivables, deposits and prepayments	11	**5,766,493**	14,157,529	15,985,575
Development properties	12	**42,240,585**	37,689,296	40,844,403
Assets classified as held for sale	4	**1,029,556**	-	-
Investments in securities	13	**2,236,840**	3,273,128	2,924,658
Loans to associates and joint ventures	14	**1,043,262**	1,107,710	1,109,230
Investments in associates and joint ventures	15	**5,800,926**	5,549,632	5,289,979
Property, plant and equipment	16	**9,883,879**	9,157,197	8,785,181
Investment properties	17	**22,688,259**	22,742,900	22,318,549
Intangible assets	18	**211,942**	744,566	755,472
Right-of-use assets	19	**954,851**	1,066,681	1,268,823
TOTAL ASSETS		**132,364,129**	120,613,553	116,641,188
LIABILITIES AND EQUITY				
LIABILITIES				
Trade and other payables	20	**19,659,764**	18,521,375	17,354,676
Advances from customers	21	**19,563,729**	13,783,506	11,680,783
Liabilities directly associated with assets classified as held for sale	4	**496,256**	-	-
Retentions payable	22	**1,620,543**	1,485,416	1,613,853
Deferred income tax payable	8	**922,804**	1,035,934	1,103,003
Interest-bearing loans and borrowings	23	**5,331,227**	8,708,759	13,232,157
Sukuk	24	**9,166,684**	9,162,940	7,325,855
Provision for employees' end-of-service benefits	25	**177,044**	173,696	164,023
TOTAL LIABILITIES		**56,938,051**	52,871,626	52,474,350
EQUITY				
Equity attributable to owners of the Company				
Share capital	26	**8,838,790**	8,179,739	7,159,739
Employees' performance share program		**(1,684)**	(1,684)	(1,684)
Reserves	27	**21,999,630**	20,046,605	17,540,597
Retained earnings		**38,161,738**	33,489,977	30,839,953
		68,998,474	61,714,637	55,538,605
Non-controlling interests		**6,427,604**	6,027,290	8,628,233
TOTAL EQUITY		**75,426,078**	67,741,927	64,166,838
TOTAL LIABILITIES AND EQUITY		**132,364,129**	120,613,553	116,641,188

To the best of our knowledge, the consolidated financial statements fairly present, in all material respects, the consolidated financial position, results of operation and consolidated cash flows of the Group as of, and for the year ended 31 December 2022.

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 2021 consolidated financial statements and reflect adjustments made as detailed in Note 2.2

The accompanying notes 1 to 36 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

(US$ 1.00 = AED 3.673)

	Attributable to the owners of the Company						
	Share capital	Employees' performance share program	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Balance as at 1 January 2022	**8,179,739**	**(1,684)**	**20,046,605**	**33,468,571**	**61,693,231**	**6,502,273**	**68,195,504**
Effect of changes due to restatements (note 2.2)	**-**	**-**	**-**	**21,406**	**21,406**	**(474,983)**	**(453,577)**
Balance as at 1 January 2022 (Restated)*	**8,179,739**	**(1,684)**	**20,046,605**	**33,489,977**	**61,714,637**	**6,027,290**	**67,741,927**
Total comprehensive income for the year							
Net profit for the year	**-**	**-**	**-**	**6,832,049**	**6,832,049**	**1,306,798**	**8,138,847**
Other comprehensive income for the year	**-**	**-**	**(1,821,129)**	**(386,544)**	**(2,207,673)**	**(301,484)**	**(2,509,157)**
Total comprehensive income for the year	**-**	**-**	**(1,821,129)**	**6,445,505**	**4,624,376**	**1,005,314**	**5,629,690**
Directors' bonus (note 32)	**-**	**-**	**-**	**(9,199)**	**(9,199)**	**-**	**(9,199)**
Dividend paid to shareholders (note 31)	**-**	**-**	**-**	**(1,226,961)**	**(1,226,961)**	**-**	**(1,226,961)**
Dividend and directors' bonus of subsidiaries	**-**	**-**	**-**	**(7,168)**	**(7,168)**	**(605,000)**	**(612,168)**
Transfer to reserves (note 27)	**-**	**-**	**683,205**	**(683,205)**	**-**	**-**	**-**
Acquisition of DCH (note 2.1, 26 and 27)	**659,051**	**-**	**3,090,949**	**-**	**3,750,000**	**-**	**3,750,000**
Other movement	**-**	**-**	**-**	**152,789**	**152,789**	**-**	**152,789**
Balance as at 31 December 2022	**8,838,790**	**(1,684)**	**21,999,630**	**38,161,738**	**68,998,474**	**6,427,604**	**75,426,078**
Balance as at 1 January 2021	7,159,739	(1,684)	17,540,597	30,819,098	55,517,750	9,064,152	64,581,902
Effect of changes due to restatements (note 2.2)	-	-	-	20,855	20,855	(435,919)	(415,064)
Balance at 1 January 2021 (Restated)*	7,159,739	(1,684)	17,540,597	30,839,953	55,538,605	8,628,233	64,166,838
Total comprehensive income for the year							
Net profit for the year (Restated)*	-	-	-	3,800,661	3,800,661	1,877,405	5,678,066
Other comprehensive income for the year	-	-	28,141	17,374	45,515	(13,348)	32,167
Total comprehensive income for the year	-	-	28,141	3,818,035	3,846,176	1,864,057	5,710,233
Directors' bonus (note 32)	-	-	-	(9,329)	(9,329)	-	(9,329)
Divided paid to shareholders	-	-	-	(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(b))	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 (Restated)	8,179,739	(1,684)	20,046,605	33,489,977	61,714,637	6,027,290	67,741,927

* Certain amounts shown here do not correspond to 2021 consolidated financial statements and reflect adjustments made as detailed in Note 2.2

The accompanying notes 1 to 36 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

(US$ 1.00 = AED 3.673)

	Notes	2022 AED'000	2021 AED'000 (Restated)*
Cash flows from operating activities			
Profit before tax		**8,477,008**	6,085,230
Adjustments for:			
Share of results of associates and joint ventures	15	**(214,289)**	(353,631)
Depreciation	16,17,19	**1,393,254**	1,364,859
Amortisation of intangible assets	18	**7,289**	10,906
Provision for end-of-service benefits, net		**10,758**	9,673
Loss on disposal of property, plant and equipment		**1,466**	405
Gain on disposal of investment properties		**(8,325)**	(90,292)
Finance costs	7(b)	**981,389**	1,279,959
Finance income	7(a)	**(1,057,330)**	(429,857)
Provision for doubtful receivables and advances	6	**438,626**	962,292
Provision for impairment and write down	2.2	**916,117**	667,663
Gain on dilution of investment in associate		**(233,406)**	-
Cash from operations before working capital changes:		**10,712,557**	9,507,207
Working capital changes:			
Trade and unbilled receivables		**(815,719)**	(5,636,200)
Other assets, receivables, deposits and prepayments		**628,264**	499,464
Development properties		**4,949,308**	4,352,373
Advances from customers		**4,137,613**	2,102,723
Trade and other payables		**(550,292)**	(305,512)
Retentions payable		**(86,961)**	(128,437)
Income tax, net		**(32,811)**	169,028
Net cash flows from operating activities		**18,941,959**	10,560,646
Cash flows from investing activities			
Purchase of securities and deposits	13	**(2,621,800)**	(3,793,556)
Proceeds from disposal of securities		**3,074,186**	3,498,323
Finance income received		**523,046**	425,977
Dividends received from associates and joint ventures	15	**128,770**	94,311
Loans repaid by / (provided to) associates and joint ventures		**55,624**	(58,554)
Advance against investments		**-**	(199,413)
Amounts incurred on investment properties	17	**(442,858)**	(1,157,185)
Proceeds from disposal of investment properties		**109,925**	97,638
Amounts incurred on property, plant and equipment		**(960,332)**	(1,287,792)
Proceeds from disposal of property, plant and equipment		**2,357**	19,802
Deposits maturing after three months (including deposits under lien)	9	**103,199**	(395,516)
Amounts incurred on intangible assets		**(3,977)**	-
Acquisition of Dubai Creek Harbour	2.1(a)	**(2,500,000)**	-
Net cash flows used in investing activities		**(2,531,860)**	(2,755,965)

* Certain amounts shown here do not correspond to 2021 consolidated financial statements and reflect adjustments made as detailed in Note 2.2

The accompanying notes 1 to 36 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2022

(US$ 1.00 = AED 3.673)

	Notes	2022 AED'000	2021 AED'000 (Restated)*
Cash flows from financing activities			
Proceeds from interest-bearing loans and borrowings	23	**10,816,461**	5,461,571
Repayment of interest-bearing loans and borrowings	23	**(13,961,358)**	(10,165,266)
Dividends paid (including dividends of subsidiaries paid to non-controlling interests)		**(1,831,961)**	(2,028,974)
Finance costs paid		**(809,208)**	(973,784)
Directors' bonus paid (including Directors' bonus of subsidiaries)		**(16,367)**	(17,654)
Proceeds from issuance of Sukuk	24	**-**	1,836,500
Payment of lease liabilities	19	**(167,995)**	(153,688)
Net cash flows used in financing activities		**(5,970,428)**	(6,041,295)
Increase in cash and cash equivalents		**10,439,671**	1,763,386
Net foreign exchange difference		**(358,498)**	(3,302)
Cash and cash equivalents at the beginning of the year		**7,463,883**	5,703,799
Cash and cash equivalents at the end of the year	9	**17,545,056**	7,463,883

* Certain amounts shown here do not correspond to 2021 consolidated financial statements and reflect adjustments made as detailed in Note 2.2

The accompanying notes 1 to 36 form an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at 31 December 2022

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 16 March 2023.

2.1 Basis of Preparation

The consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB") and applicable requirements of the UAE Federal Decree Law No. (32) of 2021.

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. Companies have (1) one year from 2 January 2022 to comply with the provisions of the UAE Federal Decree Law No. (32) of 2021. The Company's annual general assembly approved in its last meeting held on 20 April 2022 the amendments to its Articles of Association, in order to be fully compliant with the UAE Federal Decree Law No. (32) of 2021.

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

The consolidated financial statements have been prepared on a historical cost basis except for derivative financial instruments, financial assets at fair value through 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. (Also refer to note 2.2)

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

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

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.

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 2022 are as follows:

Subsidiary	Place of incorporation	Principal activities	Percentage of effective interest
Emaar Hospitality Group LLC	UAE	Providing hospitality services	100.00%
Dubai Hills Retail LLC	UAE	Property development and management of leasing	50.00%
Emaar Malls Management LLC and its subsidiaries (refer note (b) below)	UAE	Retail development and management of shopping malls	100.00%
Emaar Development PJSC and its subsidiaries	UAE	Property development and development management	80.16%
Emaar Entertainment LLC	UAE	Leisure and entertainment activities	100.00%
Emaar Hotels & Resorts Group	UAE	Providing hospitality services	100.00%
Dubai Creek Harbour LLC and its subsidiaries (refer note (a) below)	UAE	Property development and development management	100.00%
Emaar Misr for Development SAE and its subsidiaries	Arab Republic of Egypt ("Egypt")	Property investment and development	88.74%
Emaar Middle East LLC	Kingdom of Saudi Arabia ("KSA")	Property investment and development	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 India Limited and its subsidiaries	India	Property investment and development	77.01%

a) During October 2013, the Company and Dubai Holding Group (DH) entered into a joint development agreement (JDA) to develop Dubai Creek Harbour ('DCH'), a residential, retail and commercial real estate development. Pursuant to the JDA, Emaar was to operate and manage the business of DCH.

During the current year, Emaar and DH undertook discussions and agreed for the acquisition of the DCH development by Emaar, which was announced on 11 August 2022, for a consideration of AED 7.5 billion, payment of which will be as follows:

1. Cash consideration of AED 3,750 million, of which AED 2,500 million will be paid on closing of the transaction (paid in December 2022) and balance AED 1,250 million will be paid in a deferred manner over a period of three years (also refer note 20);
2. Issue of the Convertible Bond by Emaar which shall be mandatorily converted into 659,050,967 new Emaar shares, determined based on closing share price of AED 5.69 as at 10 August 2022 to settle the balance consideration of AED 3,750 million (shares issued during December 2022).

In addition to the above, existing balances of AED 7.49 billion, representing receivable and advance against investment, have also been considered as purchase consideration.

The conditions precedent for the aforesaid transaction were satisfied on 8 December 2022 and the Group has consolidated DCH with effect from and as at 31 December 2022. The transaction is an asset acquisition as the definition of business is not met against the principles of IFRS 3 *Business Combinations*. The allocation of the aggregate purchase consideration over various financial and non-financial assets acquired and liabilities assumed as part of the acquisition of DCH as at 31 December 2022, is presented below:

	31 December 2022 AED'000
Allocation of purchase consideration	
Non-financial assets	
Development properties (including undeveloped land parcels, completed and under-development projects)	**9,780,819**
Property, plant and equipment	**1,187,420**
Investment properties	**186,433**
Non-financial assets – Total (i)	**11,154,672**
Cash and cash equivalent – (ii)	**2,362,109**
Other financial assets – net (iii)	**1,476,000**
Aggregate purchase consideration (i + ii + iii)	**14,992,781**

The allocation of purchase consideration to identifiable assets and liabilities was based on relative fair values at the date of acquisition, the valuation approach is detailed in notes 12, 16 and 17.

b) During the year 2021, the respective shareholders of the Company and Emaar Malls Management LLC ("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.

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 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

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

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 Judgements, Estimates and Assumptions

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

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

Judgements

The key judgements 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 judgement the Group assess the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component in the contract and any non-cash consideration in the contract.

In determining the impact of variable consideration, the Group uses the "most-likely amount" method in IFRS 15 *Revenue from Contracts with Customers* whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

Transfer of control in contracts with customers

In cases where the Group determines that performance obligations are satisfied at a point in time, revenue is recognised when control over the asset that is the subject of the contract is transferred to the customer. In the case of contracts to sell real estate assets this is generally when the consideration for the unit has been substantially received and there are no impediments in the handing over of the unit to the customer. The title will be transferred to the customer only upon 100% collection, resulting in a low risk of default and loss thereof.

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

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

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

Revenue recognition for turnover rent

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

Classification of investment properties

The Group determines whether a property qualifies as investment property in accordance with IAS 40 *Investment Property*. In making its judgement, the Group considers whether the property generates cash flows largely independently of the other assets held by the Group. The Group has determined that hotels 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 leases - 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 external professionally qualified valuers to obtain estimates of the market value of investment properties using recognised valuation techniques for the purposes of their impairment review and disclosures in the consolidated financial statements.

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.

Hyperinflation

Turkey became a hyperinflationary economy in 2022. Management have carried out a detailed assessment of the impact of applying IAS 29 *Financial Reporting in Hyperinflationary Economies* and noted that there is no impact of applying IAS 29 on its operations in Turkey, as the functional and presentation currency of the component is US Dollars.

Retrospective change in classification of investment

During the current period, based on review of contractual terms and arrangement with the other shareholder, management has re-evaluated its assessment on control over an entity, previously classified as a subsidiary and concluded that both the shareholders have joint control over the relevant business activities. Accordingly, it had retrospectively applied the equity method of accounting in accordance with IAS 28 *Investments in Associates and Joint Ventures*.

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 comparative financial information. The consolidated financial statements have been restated as summarised below:

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

At 31 December 2021

Consolidated Statement of Financial Position

	As previously reported AED'000	Adjustments made AED'000	As restated now AED'000
Assets			
Bank balances and cash	8,657,529	(118,671)	8,538,858
Trade and unbilled receivables	16,633,888	(47,832)	16,586,056
Other assets, receivables, deposits and prepayments	14,188,035	(30,506)	14,157,529
Development properties	37,740,746	(51,450)	37,689,296
Loans to associates and joint ventures	1,102,196	5,514	1,107,710
Investments in associates and joint ventures	5,074,649	474,983	5,549,632
Property, plant and equipment	10,625,210	(1,468,013)	9,157,197
Total assets	121,849,528	(1,235,975)	120,613,553
Liabilities			
Trade and other payables	18,572,086	(50,711)	18,521,375
Advances from customers	13,791,499	(7,993)	13,783,506
Retentions payable	1,497,121	(11,705)	1,485,416
Interest-bearing loans and borrowings	9,416,883	(708,124)	8,708,759
Provision for employees' end-of-service benefits	177,561	(3,865)	173,696
Total liabilities	53,654,024	(782,398)	52,871,626
Equity			
Retained earnings	33,468,571	21,406	33,489,977
Non-controlling interests	6,502,273	(474,983)	6,027,290

At 1 January 2021

Consolidated Statement of Financial Position

	As previously reported AED'000	Adjustments made AED'000	As restated now AED'000
Assets			
Bank balances and cash	6,270,731	(60,189)	6,210,542
Trade and unbilled receivables	11,246,564	(97,788)	11,148,776
Other assets, receivables, deposits and prepayments	16,029,719	(44,144)	15,985,575
Development properties	40,932,919	(88,516)	40,844,403
Loans to associates and joint ventures	1,096,631	12,599	1,109,230
Investments in associates and joint ventures	4,854,060	435,919	5,289,979
Property, plant and equipment	10,278,470	(1,493,289)	8,785,181
Total assets	117,976,596	(1,335,408)	116,641,188
Liabilities			
Trade and other payables	17,426,706	(72,030)	17,354,676
Advances from customers	11,689,423	(8,640)	11,680,783
Retentions payable	1,647,548	(33,695)	1,613,853

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

	As previously reported AED'000	Adjustments made AED'000	As restated now AED'000
Interest-bearing loans and borrowings	14,034,948	(802,791)	13,232,157
Provision for employees' end-of-service benefits	167,211	(3,188)	164,023
Total liabilities	53,394,694	(920,344)	52,474,350
Equity			
Retained earnings	30,819,098	20,855	30,839,953
Non-controlling interests	9,064,152	(435,919)	8,628,233

Consolidated income statement and consolidated statement of comprehensive income

	As previously reported AED'000	Adjustments made AED'000	As restated now AED'000
For the year ended 31 December 2021:			
Revenue	28,269,645	(373,473)	27,896,172
Cost of revenue	(16,518,493)	214,149	(16,304,344)
Other operating income	393,612	1,057	394,669
Selling, general and administrative expenses	(4,072,052)	19,672	(4,052,380)
Depreciation of property, plant and equipment	(657,824)	43,821	(614,003)
Other income	216,366	2,254	218,620
Finance income	430,057	(200)	429,857
Finance costs	(1,295,102)	15,143	(1,279,959)
Share of results of associates and joint ventures	314,567	39,064	353,631
Net profit for the period	5,716,579	(38,513)	5,678,066
ATTRIBUTABLE TO: Owners of the Company	3,800,110	551	3,800,661
Non-controlling interests	1,916,469	(39,064)	1,877,405
Total comprehensive income for the period	5,748,746	(38,513)	5,710,233
ATTRIBUTABLE TO: Owners of the Company	3,845,625	551	3,846,176
Non-controlling interests	1,903,121	(39,064)	1,864,057
Consolidated Statement of Cash flow			
For the period ended 31 December 2021: Cash flows from operating activities	10,759,395	(198,749)	10,560,646
Cash flows used in investing activities	(2,786,422)	30,457	(2,755,965)
Cash flows used in financing activities	(6,151,105)	109,810	(6,041,295)

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.

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

The Group's management determines the estimated useful lives of its property, plant and equipment, investment properties and intangible assets for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation / amortisation method to ensure that the method and period of depreciation / amortisation are consistent with the expected pattern of economic benefits from these assets.

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

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

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 investment properties of AED 76 million (refer note 16 and 17). Further, during the year, the Group has written down development properties of AED 276 million based on their expected realisable value. Furthermore, management have estimated the recoverable value of its various investments and advances in businesses operating in real estate segment and have recorded an impairment charge of AED 916 million during the year. (refer note 3, 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.

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The external valuer report on the valuation of the Group's development properties has drawn attention to the fact that a combination of global inflationary pressures, higher interest rates and recent geopolitical events have heightened the potential for greater volatility in property markets over the short-to-medium term, requiring management to closely monitor the valuation and track how market participants respond to current market volatility.

Management has critically assessed asset valuations and, in the current environment, are satisfied with the assumptions adopted and valuations reported. Management will continue to closely monitor the impact of this evolving situation to assess its impact to the Group, if any.

2.3 Changes in the Accounting Policies and Disclosures

A number of new standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted, however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements. The following new or amended standards that are adopted in annual periods beginning on I January 2022:

(a) New standards, interpretations and amendments adopted by the Group

New standards or amendments	Effective date
COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16	1 April 2021
Onerous Contracts - Cost of Fulfilling a Contract (Amendment to IAS 37)	1 January 2022
Annual improvements to IFRS Standards 2018-2020	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022

These amendments / improvements had no impact on the consolidated financial statements of the Group.

(b) Standards, amendments and interpretations in issue but not effective

The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

Forthcoming requirements	Effective date
Definition of accounting estimates, amendments to IAS 8	1 January 2023
Classification of Liabilities as Current and Non-current (Amendments to IAS 1)	1 January 2023
IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	1 January 2023
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16): Transition, effective date and due process (Agenda Paper 12C)	1 January 2024
Sale or Contribution of Assets between an Investor its Associates or Joint Venture (Amendments to IFRS 10 and IAS 28)	Effective date deferred indefinitely

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.

Notes to the Consolidated Financial Statements (continued)

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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.

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Customer loyalty programme

The Group operates a loyalty points programme, 'U by Emaar', which allows customers to accumulate points when they spend in any of the Group's hotel or leisure units. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer. When estimating the stand-alone selling price of the loyalty points, the Group considers the likelihood that the customer will redeem the points. The Group 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.

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;

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

+ 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.

UAE Federal Decree-Law No (47) of 2022 on the Taxation of Corporations and Businesses:

The Federal Decree-Law No (47) of 2022 on the Taxation of Corporations and Businesses (referred as "Corporate Tax Law") was issued by the United Arab Emirates (UAE) on 9 December 2022. The Corporate tax law provides the legislative basis for the introduction and implementation of a Federal Corporate Tax ("Corporate tax") in the UAE and is effective for the financial years starting on or after 1 June 2023. However, there are a number of significant decisions that are yet to be finalized by way of a Cabinet Decision that are critical for entities to determine their tax status and the amount of tax due. Therefore, pending such important decisions by the Cabinet, the Group has determined that the Law was not practically operational as at 31 December 2022 and, hence, not enacted or substantively enacted from the perspective of IAS 12 Income Taxes. The Group will continue to monitor the timing of the issuance of these critical Cabinet Decisions to determine its tax status and the applicability of IAS 12 – Income Taxes. The Group is currently in the process of assessing the possible impact on its consolidated financial statements, both from current and deferred tax perspective, once the Law becomes substantively enacted.

Global minimum tax

In December 2021, the Organization of Economic Co-operation and Development (OECD) released a draft legislative framework, followed by detailed guidance release in March 2022, that is expected to be used by 135 individual jurisdictions, including the UAE, that signed the agreement to amend their local tax laws to align with global minimum tax. Once changes to the tax laws in any jurisdiction in which the Group operates are enacted or substantively enacted, the Group may be subject to the top-up tax. Management is monitoring the progress of the legislative process in each jurisdiction the Group operates. Based on the limited information available and current regulations there are no quantitative impact for the current period.

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 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

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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.

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.

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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 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 other comprehensive income (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

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exchange component is recognised in the consolidated income statement and other comprehensive income. For foreign currency denominated debt instruments classified at amortised cost, the foreign exchange gains and losses are determined based on the amortised cost of the asset and are recognised in the 'other gains and losses' line item in the consolidated income statement.

Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

+ The rights to receive cash flows from the asset have expired; or
+ The Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement, and
+ The Group has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset, or
  - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECL") for all debt instruments and contract assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

For trade and unbilled receivables and other receivables, the Group applies a simplified approach in calculating ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected credit losses are recognised in the consolidated income statement.

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;

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+ 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

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the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate. The average rate applied is 4% to 8%.

Loans and borrowings

Term loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the consolidated income statement when the liabilities are derecognised as well as through the amortisation process.

Sukuk

The sukuk are stated at amortised cost using the effective profit rate method. Profit attributable to the sukuk is calculated by applying the prevailing market profit rate, at the time of issue, for similar sukuk instruments and any difference with the profit distributed is added to the carrying amount of the sukuk. Any directly attributable transaction costs are allocated to the liability component.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in consolidated income statement.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed (except if related to issue of debt or equity).

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at fair value on the date of acquisition. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IFRS 9: Financial Instruments in the consolidated statement of comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

If the Company acquires an asset or a group of assets (including any liabilities assumed) that does not constitute a business, then the transaction is outside the scope of IFRS 3 because it cannot meet the definition of a business combination. Such transactions are accounted for as asset acquisitions in which the cost of acquisition is generally allocated between the individual identifiable assets and liabilities in the Group based on their relative fair values at the date of acquisition. They do not give rise to goodwill or a gain on a bargain purchase. In cases when an entity acquires a group of assets that does not constitute a business, and the sum of the individual fair values of the identifiable assets and liabilities differs from the transaction price, the Group may include identifiable assets and liabilities initially measured both at cost and at an amount other than cost.

The Company may acquire a group of assets and assume liabilities in an asset acquisition that require valuation reports to complete the allocation of cost. The measurement and allocation of cost in an asset acquisition are completed at the date of recognition of the assets acquired and liabilities assumed, if there are any. Unlike for a business combination, there is no measurement period for an asset acquisition. This is regardless of the size or complexity of the acquisition.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the fair value of net identifiable tangible and intangible assets acquired and liabilities assumed. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Goodwill is tested for impairment annually as at the reporting date and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit to which the goodwill relates. When the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the consolidated income statement. Impairment losses relating to goodwill cannot be reversed in future periods.

End-of-service benefits

The Group provides end-of-service benefits to its employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

With respect to its eligible UAE and GCC national employees, the Group makes contributions to a pension fund established by the UAE General Pension and Social Security Authority calculated as a percentage of the employees' salaries. The Group's obligations are limited to these contributions, which are expensed when due.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Foreign currency translations

The consolidated financial statements are presented in AED which is the functional currency of the Company. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

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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.

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, sell and manage condominiums, villas, commercial units and plots of land), leasing, retail and related activities (develop, lease and manage malls, retail, commercial and residential spaces) and hospitality (develop, own and/or manage hotels, serviced apartments and leisure activities). Other segments include businesses that individually do not meet the criteria for a reportable segment as per IFRS 8 Operating Segments. These businesses are property management and utility services and investments in providers of financial services.

Revenue from sources other than property sales, leasing, retail and related activities and hospitality are included in other operating income.

Geographic segments

The Group is currently operating in number of countries outside the UAE and is engaged in development of several projects which have significant impact on the Group results. The domestic segment includes business activities and operations in the UAE and the international segment includes business activities and operations outside the UAE (including export sales).

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As at 31 December 2022

Business segments

The following tables include revenue, profit and certain assets and liabilities information regarding business segments for the years ended 31 December 2022 and 2021.

	Real estate AED'000	Leasing, retail and related activities AED'000	Hospitality AED'000	Others AED'000	Total AED'000
2022:					
Revenue					
Revenue from external customers					
- Over a period of time	11,564,854	4,317,473	589,497	-	16,471,824
- Point in time	4,703,761	2,780,313	969,776	-	8,453,850
	16,268,615	7,097,786	1,559,273	-	24,925,674
Results					
Profit before tax before impairment / write back, (a) and (b)	6,840,378	3,252,657	604,471	470,496	11,168,002
(Impairment) / write back	(1,290,952)	23,304	(406)	-	(1,268,054)
(a) Unallocated selling, general and administrative expenses					(1,848,715)
(b) Unallocated finance income, net					425,775
Profit before tax for the year					8,477,008
Assets and liabilities:					
Segment assets	95,489,006	26,366,840	6,920,335	3,587,948	132,364,129
Segment liabilities	47,023,161	6,893,665	2,257,995	763,230	56,938,051
Other segment information					
Capital expenditure (property, plant and equipment, and investment properties)	1,140,145	991,960	667,597	77,079	2,876,781
Depreciation (property, plant and equipment, investment properties and right-of-use assets)	258,488	874,299	196,431	64,036	1,393,254

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	Real estate* AED'000	Leasing, retail and related activities AED'000	Hospitality* AED'000	Others AED'000	Total AED'000
2021 (Restated):					
Revenue					
Revenue from external customers					
- Over a period of time	14,304,573	3,739,509	411,638	-	18,455,720
- Point in time	6,503,772	2,112,822	823,858	-	9,440,452
	20,808,345	5,852,331	1,235,496	-	27,896,172
Results					
Profit before tax before impairment / write back, (a) and (b)	5,729,094	2,357,207	377,456	723,446	9,187,203
Impairment	(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					6,085,230
Assets and liabilities:					
Segment assets	85,408,527	26,234,315	5,631,142	3,339,569	120,613,553
Segment liabilities	45,351,022	5,974,465	1,130,233	415,906	52,871,626
Other segment information					
Capital expenditure (property, plant and equipment, and investment properties)	764,166	1,359,540	182,327	138,944	2,444,977
Depreciation					
(property, plant and equipment, investment properties and right-of-use assets)	319,193	794,964	194,274	56,428	1,364,859

* Certain amounts shown here do not correspond to 2021 consolidated financial statements and reflect adjustments made as detailed in note 2.2

Geographic segments

The following tables include revenue and certain asset information regarding geographic segments for the years ended 31 December 2022 and 2021.

	Domestic AED'000	International AED'000	Total AED'000
2022:			
Revenue			
Revenue from external customers			
- Over a period of time	16,103,590	368,234	16,471,824
- Point in time	2,936,154	5,517,696	8,453,850
	19,039,744	5,885,930	24,925,674
Assets			
Right-of-use	633,749	321,102	954,851
Investments in associates and joint ventures	3,955,362	1,845,564	5,800,926

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	Domestic AED'000	International AED'000	Total AED'000
Other segment assets	**98,102,136**	**27,506,216**	**125,608,352**
Total assets	**102,691,247**	**29,672,882**	**132,364,129**
Total liabilities	**43,089,568**	**13,848,483**	**56,938,051**
Other segment information			
Capital expenditure (i) (property, plant and equipment and investment properties)	**2,409,640**	**467,141**	**2,876,781**

(i) Capital expenditure includes AED 1,373,853 thousands of capital assets acquired on acquisition of DCH (note 2.1)

	Domestic AED'000*	International AED'000	Total AED'000
2021 (Restated):			
Revenue			
Revenue from external customers			
- Over a period of time	18,207,537	248,183	18,455,720
- Point in time	3,187,623	6,252,830	9,440,453
	21,395,160	6,501,013	27,896,173
Assets			
Right-of-use assets	709,782	356,899	1,066,681
Investments in associates and joint ventures	3,661,961	1,887,671	5,549,632
Other segment assets	80,800,299	33,196,941	113,997,240
Total assets	85,172,042	35,441,511	120,613,553
Total liabilities	35,530,958	17,340,668	52,871,626
Other segment information			
Capital expenditure (property, plant and equipment and investment properties)	1,518,507	926,470	2,444,977

* Certain amounts shown here do not correspond to 2021 consolidated financial statements and reflect adjustments made as detailed in note 2.2

4 Net Assets Held For Sale

During the current year, the shareholders of the Company in the general meeting held on 21 September 2022 have approved to sell the entire share capital of a wholly owned subsidiary of the Group, Namshi Holding Limited ('Namshi') to Noon AD Holdings Limited, a related party of the Group, for a cash consideration of AED 1,231,190 thousands (US$ 335,200 thousands). The transaction completion was subject to satisfactory completion of certain conditions precedence, including requisite regulatory approvals.

As at the reporting date, the requisite authority approval was not received, accordingly the assets and liabilities pertaining to Namshi have been classified as held for sale and measured at lower of their carrying amount and fair value less cost to sell. Regulatory approvals were obtained subsequently during 2023 and refer note 36 for details.

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As at 31 December 2022

The major classes of assets and liabilities that have been classified as held for sale (after Group elimination) are as follows:

	31 December 2022 AED'000
Assets	
Bank balances and cash	**46,359**
Trade and unbilled receivables	**65,081**
Other assets, receivables, deposits and prepayments	**380,977**
Property, plant and equipment	**4,160**
Intangible assets	**529,312**
Right-of-use assets	**3,667**
Total assets	**1,029,556**
Liabilities	
Trade and other payables	**418,873**
Advances from customers	**27,166**
Interest-bearing loans and borrowings	**42,065**
Provision for employees' end-of-service benefits	**8,152**
Total liabilities	**496,256**
Net assets to be transferred	**533,300**

5 Revenue and Cost of Revenue

	2022 AED'000	2021 AED'000 (Restated)
Revenue		
Revenue from real-estate		
Sale of residential units	**13,244,127**	17,486,556
Sale of commercial units, plots of land and others	**3,024,488**	3,321,789
Revenue from hospitality	**1,559,273**	1,235,496
Revenue from leased properties, retail and related income	**7,097,786**	5,852,331
	24,925,674	27,896,172
Cost of revenue		
Cost of revenue from real-estate		
Cost of residential units	**7,922,363**	11,971,361
Cost of commercial units, plots of land and others	**1,361,548**	1,558,157
Write down of development properties (note 2.2 and 12)	**275,726**	476,994
Cost of revenue from hospitality	**719,363**	620,364
Cost of revenue from leased properties, retail and related activities	**2,059,362**	1,677,468
	12,338,362	16,304,344

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

6 Selling, General And Administrative Expenses

	2022 AED'000	2021 AED'000 (Restated)
Sales and marketing expenses	**1,219,663**	1,634,017
Provision for doubtful debts and advances	**438,626**	962,292
Payroll and related expenses	**709,822**	523,096
Property management expenses	**306,268**	242,214
Donations	**61,041**	23,875
Depreciation of right of use assets (note 19)	**124,086**	126,233
Other expenses	**662,291**	540,653
	3,521,797	4,052,380

7(a) Finance Income

	2022 AED'000	2021 AED'000 (Restated)
Finance income from bank deposits and securities	**412,450**	284,009
Other finance income (i)	**644,880**	145,848
	1,057,330	429,857

(i) Other finance income includes an amount of AED 292,592 thousand, representing the impact of discounting of expected cashflows on receivables from DCH, being reversed on acquisition of DCH during the current year. (also refer to note 2.1)

7(b) Finance Costs

	2022 AED'000	2021 AED'000 (Restated)
Finance costs on borrowings	**716,789**	705,390
Other finance costs (i)	**264,600**	574,569
	981,389	1,279,959

(i) During the year, the Group has recorded finance cost on unwinding of long-term payable amounting to AED 131,878 thousands (2021: AED 443,017 thousands).

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

8 Income Tax

	2022 AED'000	2021 AED'000 (Restated)
Consolidated income statement		
Current income tax expenses	**(354,800)**	(305,469)
Deferred income tax credit / (expenses)	**16,639**	(101,695)
	(338,161)	(407,164)
Consolidated statement of financial position		
Income tax payable, balance at the beginning of the year	**275,539**	106,511
Charge for the year, net	**354,800**	305,469
Paid during the year / other adjustment	**(387,611)**	(136,441)
Income tax payable, balance at the end of the year (note 20)	**242,728**	275,539
Net deferred tax payable, balance at the beginning of the year	**869,793**	789,658
Charged / (credit) for the year	**(16,639)**	101,695
Other movements, net	**(110,768)**	(21,560)
Net deferred tax payable, balance at the end of the year	**742,386**	869,793
Disclosed as :		
Deferred tax payable	**922,804**	1,035,934
Deferred tax assets (note 11)	**(180,418)**	(166,141)
Net deferred tax payable	**742,386**	869,793

Deferred tax assets and payable mainly comprises of temporary timing differences.

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:

	2022 AED'000	2021 AED'000 (Restated)
Profit before tax	**8,477,008**	6,085,230
Profit not subject to tax, net	**(7,539,755)**	(5,708,659)
Accounting profit subject to income tax, net	**937,253**	376,571
Accounting profit subject to income tax (excluding impairment / write down)	**1,059,575**	886,953
Current income tax expense	**(354,800)**	(305,469)
Effective tax rate	**33.49%**	34.44%

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.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

9 Bank Balances and Cash

	2022 AED'000	2021 AED'000 (Restated)
Cash in hand	**23,809**	6,981
Current and call bank deposit accounts	**15,635,134**	7,364,019
Fixed deposits with original maturities of three months or less	**1,881,990**	316,404
Total	**17,540,933**	7,687,404
Deposits under lien (note 29)	**200,070**	157,285
Fixed deposits with original maturities of three months or more, and restricted cash	**548,185**	694,169
	18,289,188	8,538,858
Bank balances and cash located:		
Within UAE	**16,243,702**	6,970,765
Outside UAE	**2,045,486**	1,568,093
	18,289,188	8,538,858
Bank balances and cash are denominated in the following currencies:		
United Arab Emirates Dirham (AED)	**16,417,649**	6,997,815
United States Dollar (USD)	**1,120,684**	912,947
Egyptian Pound (EGP)	**124,381**	110,675
Indian Rupee (INR)	**316,953**	228,187
Saudi Riyal (SAR)	**88,594**	168,597
Other currencies	**220,927**	120,637
	18,289,188	8,538,858

As at 31 December 2022, cash and cash equivalent amount to AED 17,545,056 thousands (31 December 2021 (Restated): AED 7,463,883 thousands), including cash held by entity under held for sales of AED 46,359 thousands (refer note 4) 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.

As at the reporting date, bank balances and cash include AED 12,747,693 thousands (31 December 2021 (Restated): AED 5,959,567 thousands) 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.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

10 Trade and Unbilled Receivables

	2022 AED'000	2021 AED'000 (Restated)
Trade receivables		
Amounts receivable within 12 months, net	**1,297,810**	1,397,824
Amounts receivable after 12 months	**377,822**	403,910
	1,675,632	1,801,734
Unbilled receivables		
Unbilled receivables within 12 months	**8,773,182**	5,461,314
Unbilled receivables after 12 months, net	**11,769,534**	9,323,008
	20,542,716	14,784,322
Total trade and unbilled receivables	**22,218,348**	16,586,056

The above receivables are net of AED 476,399 thousands (31 December 2021 (Restated): AED 498,482 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:

	2022 AED'000	2021 AED'000 (Restated)
Balance at the beginning of the year	**498,482**	303,591
Provision made during the year	**292**	195,496
Reversed during the year	**(22,375)**	(605)
Balance at the end of the year	**476,399**	498,482

At 31 December, the ageing analysis of net trade and unbilled receivables is as follows:

			Past due but not impaired			
	Total AED'000	Neither past due nor impaired AED'000	Less than 30 days AED'000	Between 30 to 60 days AED'000	Between 60 to 90 days AED'000	More than 90 days AED'000
2022	**22,218,348**	**20,542,716**	**742,494**	**172,665**	**66,498**	**693,975**
2021 (Restated)	16,586,056	14,784,322	949,677	119,817	63,128	669,112

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.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

11 Other Assets, Receivables, Deposits and Prepayments

	2022 AED'000	2021 AED'000 (Restated)
Sales commission (i)	**1,468,646**	1,121,663
Advances to contractors and others	**1,395,289**	1,418,398
Receivables from Communities Owner Associations	**389,544**	480,368
Value added tax recoverable	**367,696**	386,936
Recoverable from non-controlling interests, net of provision	**298,584**	322,051
Deferred income tax assets (note 8)	**180,418**	166,141
Prepayments	**121,896**	138,027
Inventory - Hospitality and Retail	**63,800**	301,665
Recoverable under development agreements (note 2.1(a))	**-**	4,547,121
Advance against investments (note 2.1(a))	**-**	3,818,672
Other receivables and deposits	**1,480,620**	1,456,487
	5,766,493	14,157,529
Other assets, receivables, deposits and prepayments maturity profile:		
Within 12 months	**5,201,171**	6,041,326
After 12 months	**565,322**	8,116,203
	5,766,493	14,157,529

(i) Sales commission incurred to obtain or fulfil a contract with the customers is amortised over the period of satisfying performance obligations where applicable.

12 Development Properties

	2022 AED'000	2021 AED'000 (Restated)
Balance at the beginning of the year	**37,740,746**	40,932,919
Effect of restatement (note 2.2)	**(51,450)**	(88,516)
Balance at the beginning of the year (Restated)	**37,689,296**	40,844,403
Add: Costs incurred during the year	**7,961,537**	10,778,933
Add: Acquisition of DCH (note 2.1)	**9,780,819**	-
Add: Costs transferred from property, plant and equipment (note 16)*	**-**	182,622
Add: Costs transferred (to)/from investment properties (note 17)*	**(4,496)**	70,337
Less: Costs transferred to cost of revenue during the year	**(9,283,911)**	(13,529,518)
Less: Foreign currency translation differences	**(3,626,934)**	(180,487)
Less: Write down (note 2.2 and 5)	**(275,726)**	(476,994)
Balance at the end of the year	**42,240,585**	37,689,296

*The Group has transferred certain costs from property, plant and equipment and investment properties based on the change in intended use of such developments.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

	2022 AED'000	2021 AED'000 (Restated)
Development properties located:		
Within UAE	**27,761,940**	18,708,078
Outside UAE	**14,478,645**	18,981,218
	42,240,585	37,689,296

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 development properties as at the reporting date is AED 82,110,904 thousands (31 December 2021 (Restated): AED 63,462,495 thousands).

The fair value of the Group's development properties at 31 December 2022 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.

During the year, an amount of AED 25,190 thousands (31 December 2021 (Restated): AED 34,610 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
2022	**82,110,904**	**-**	**-**	**82,110,904**
2021 (Restated)	63,462,495	-	-	63,462,495

13 Investments in Securities

	2022 AED'000	2021 AED'000 (Restated)
Financial assets at fair value through other comprehensive income (i)	**725,517**	1,310,250
Financial assets at fair value through profit and loss	**212,683**	151,275
Financial assets at amortised cost	**1,298,640**	1,811,603
	2,236,840	3,273,128
Investments in securities:		
Within UAE	**866,145**	1,170,252
Outside UAE	**1,370,695**	2,102,876
	2,236,840	3,273,128

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

(i) Financial assets at fair value through other comprehensive income include a contingent convertible instrument at fair value of AED 2,932 thousands (31 December 2021: AED 5,349 thousands) as well as funds managed by an external fund manager. Equity investments are in quoted, unquoted and index linked securities.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the value of financial assets at fair value (by valuation technique):

	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
2022	**938,200**	**105,640**	**779,943**	**52,617**
2021 (Restated)	1,461,525	140,843	1,291,459	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:

	2022 AED'000	2021 AED'000
Balance at 1 January	**29,223**	29,223
Add: Additions during the year	**23,394**	-
Balance at 31 December	**52,617**	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 2,621,800 thousands (31 December 2021: AED 3,793,556 thousands), this includes investment in funds and equity instruments of AED 88,160 thousands (31 December 2021: AED 757,888 thousands).

14 Loans to Associates and Joint Ventures

	2022 AED'000	2021 AED'000 (Restated)
Emaar Dubai South DWC LLC (i)	**838,069**	843,493
Old Town Views LLC	**75,061**	136,266
Amlak Finance PJSC (ii)	**46,141**	81,080
Other associates and joint ventures	**83,991**	46,871
	1,043,262	1,107,710

Other than (ii) below, loans to associates and joint ventures are unsecured, repayable on demand / as per the terms of the agreement and do not carry any interest.

(i) This includes AED 769,483 thousands (2021: AED 812,493 thousands) which is expected to be recovered after 12 months from the reporting date.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

(ii) As per the terms of the restructuring agreement entered in 2014, 20% of the principal amount of the loan was repaid by Amlak in 2014, 65% is restructured into a long-term facility maturing in 12 years carrying a profit rate of 2% per annum and 15% is restructured into a 12-year contingent convertible instrument.

15 Investments in Associates and Joint Ventures

Carrying value of investments in associates and joint ventures:	2022 AED'000	2021 AED'000 (Restated)
Emaar, The Economic City (Saudi Joint Stock Company) - quoted (i)*	**1,631,561**	1,593,458
Amlak Finance PJSC - quoted (ii)*	**710,481**	565,891
Downtown DCP LLC *	**497,809**	514,786
DWTC Emaar LLC	**332,781**	496,464
Turner International Middle East Ltd	**265,777**	265,960
Emaar Dubai South DWC LLC	**405,578**	299,270
Old Town Views LLC	**284,780**	217,440
Emaar Industries and Investment (Pvt) JSC*	**129,508**	142,894
Other associates and joint ventures	**1,542,651**	1,453,469
	5,800,926	5,549,632

* Represents Group's investment in associates.

(i) (a) The market value of the shares held in Emaar, The Economic City ("EEC") (quoted on the Saudi Stock Exchange - Tadawul) as at 31 December 2022 was AED 2,119,558 thousands (31 December 2021: AED 3,036,606 thousands).

(b) Includes gain of AED 233,406 thousands resulting from restructuring at Emaar, The Economic City, which is recognized as part of other income during the current period.

(ii) The market value of the shares held in Amlak Finance PJSC ("Amlak") (quoted on the Dubai Financial Market) as at 31 December 2022 was AED 447,176 thousands (31 December 2021: AED 521,465 thousands).

The Group has the following effective ownership interest in its significant associates and joint ventures:

		Ownership	
	Country	31 December 2022	31 December 2021
Emaar, The Economic City (Saudi Joint Stock Company)	KSA	**22.95%**	22.95%
Amlak Finance PJSC	UAE	**48.08%**	48.08%
Emaar Bawadi LLC	UAE	**50.00%**	50.00%
Turner International Middle East Ltd	UAE	**65.00%**	65.00%
Eko Temali Parklar Turizm İşletmeleri Anonim Şirketi	Turkey	**50.00%**	50.00%
Emaar Industries and Investments (Pvt) JSC	UAE	**40.00%**	40.00%
Emaar Dubai South DWC LLC	UAE	**50.00%**	50.00%
DWTC Emaar LLC	UAE	**50.00%**	50.00%
Downtown DCP LLC	UAE	**20.00%**	20.00%
Old Town Views LLC	UAE	**61.25%**	61.25%
Rove Hospitality LLC	UAE	**50.00%**	50.00%

The following table summarises the income statements of the Group's associates and joint ventures for the year ended 31 December 2022:

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

	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	Turner International Middle East Ltd AED'000	Old Town Views LLC AED'000	Downtown DCP LLC AED'000	Others AED'000	Total AED'000
Revenue	333,995	380,412	868,355	148,960	215,386	382,010	1,200,148	3,529,266
Profit / (loss) before tax	(860,893)	(24,674)	214,064	79,739	109,942	155,112	284,192	(42,518)
Income tax expense	(28,868)	-	-	(1,197)	-	-	-	(30,065)
Profit / (loss) for the year	(889,761)	(24,674)	214,064	78,542	109,942	155,112	284,192	(72,583)
Other comprehensive income	38,644	-	-	-	-	-	-	38,644
Total comprehensive income for the year	(851,117)	(24,674)	214,064	78,542	109,942	155,112	284,192	(33,939)
Profit / (loss) attributable to owners of the Company	(889,761)	(28,224)	214,064	70,135	109,942	155,112	284,192	(84,540)
Group's share of profit / (loss) for the year	(204,162)	(11,290)	107,032	45,587	67,340	31,022	178,760	214,289
Dividend received during the year	-	7,500	-	45,770	-	48,000	27,500	128,770

* The Group has applied the equity method using latest available financial information as at 30 September 2022.

The financial information of the Group's associates and joint ventures included above have been adjusted to bring their accounting policies in line with the accounting policies followed by the Group.

The following table summarises the income statements of the Group's associates and joint ventures for the year ended 31 December 2021 (Restated):

	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	Turner International Middle East Ltd AED'000	Old Town Views LLC AED'000	Downtown DCP LLC AED'000	Others AED'000	Total AED'000
Revenue	317,074	303,197	989,956	135,709	492,624	355,268	1,128,661	3,722,489
Profit / (loss) before tax	(1,047,036)	12,556	202,655	74,602	218,053	143,367	818,173	422,370
Income tax expense	(44,310)	-	-	(3,070)	-	-	-	(47,380)
Profit / (loss) for the year	(1,091,346)	12,556	202,655	71,532	218,053	143,367	818,173	374,990
Other comprehensive income	28,866	(14,031)	-	-	-	-	(2,481)	12,354
Total comprehensive income for the year	(1,062,480)	(1,475)	202,655	71,532	218,053	143,367	815,692	387,344
Profit / (loss) attributable to owners of the Company	(1,091,346)	2,959	202,655	40,953	218,053	143,367	818,173	334,814
Group's share of profit / (loss) for the year	(333,843)	1,184	101,327	26,633	133,557	28,673	396,100	353,631
Dividend received during the year	-	-	-	57,311	-	12,000	25,000	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 (continued)

As at 31 December 2022

The following table summarises the statements of financial position of the Group's associates and joint ventures as at 31 December 2022:

	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	Turner International Middle East Ltd AED'000	Old Town Views LLC AED'000	Downtown DCP LLC AED'000	Others AED'000	Total AED'000
Total assets (including cash and cash equivalents of AED 1,867,748 thousands)	14,720,237	679,211	2,198,309	477,107	674,536	861,862	9,829,678	29,440,940
Total liabilities	7,609,671	355,442	1,385,705	239,962	209,589	59,732	4,230,893	14,090,994
Net assets	7,110,566	323,769	812,604	237,145	464,947	802,130	5,598,785	15,349,946
Group's share of net assets	1,631,561	129,508	406,302	154,145	284,780	160,426	2,714,694	5,481,416
Goodwill / intangible assets								582,079
Provision for impairment								(262,569)
								5,800,926

* The Group has applied the equity method using latest available financial information as at 30 September 2022.

As at 31 December 2022, the Group's share of associates and joint ventures contingent liabilities are AED 144,210 thousands 31 December 2021 (Restated): AED 68,833 thousands) and commitments are AED 1,492,543 thousands (31 December 2021 (Restated): AED 1,525,192 thousands).

The following table summarises the statements of financial position of the Group's associates and joint ventures as at 31 December 2021 (Restated):

	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	Turner International Middle East Ltd AED'000	Old Town Views LLC AED'000	Downtown DCP LLC AED'000	Others AED'000	Total AED'000
Total assets (including cash and cash equivalents of AED 1,735,760 thousands)	15,484,300	709,608	1,946,533	478,409	564,423	946,305	10,736,324	30,865,902
Total liabilities	10,275,217	352,372	1,347,993	240,983	209,419	59,288	5,504,800	17,990,072
Net assets	5,209,083	357,236	598,540	237,426	355,004	887,017	5,231,524	12,875,830
Group's share of net assets	1,593,458	142,894	299,270	154,327	217,440	177,403	2,537,761	5,122,553
Goodwill / intangible assets								582,079
Provision for impairment								(155,000)
								5,549,632

* 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 (continued)

As at 31 December 2022

16 Property, Plant and Equipment

2022:

	Leasehold improvements AED'000	Land and buildings AED'000	Computers and office equipment AED'000	Plant, machinery and heavy equipment AED'000	Motor vehicles AED'000	Furniture and fixtures AED'000	Leisure, entertainment and other assets AED'000	Capital work-in-progress AED'000	Total AED'000
Cost:									
At 1 January 2022 (Audited)	564,730	8,507,422	841,833	1,242,098	68,086	1,245,853	1,545,160	2,178,060	16,193,242
Effect of restatement (note 2.2)	-	(1,512,253)	(23,298)	(57,795)	(260)	(61,500)	-	(142)	(1,655,248)
Balance at the beginning of the year (restated)	564,730	6,995,169	818,535	1,184,303	67,826	1,184,353	1,545,160	2,177,918	14,537,994
Additions/Adjustments	3,452	36,129	76,700	27,994	1,215	36,738	16,673	592,052	790,953
Acquisition of DCH (note 2.1)	-	564,350	6,107	137,998	-	52,203	-	426,762	1,187,420
Disposals	(87)	(1,869)	(8,593)	(9,847)	(1,103)	(20,229)	(15,568)	(1,731)	(59,027)
Impairment (note 2.2)	(4,451)	-	(231)	-	-	(453)	(45,172)	(16,571)	(66,878)
Tansfers	342	728,338	35,264	53,402	-	83,016	154,273	(1,054,635)	-
Transferred to investment properties (note 17)	-	(80,244)	-	-	-	(911)	-	-	(81,155)
Foreign currency translation differences	(21,438)	(271,383)	(30,657)	(45,542)	(6,941)	(41,188)	(21,869)	(261,558)	(700,576)
Asset Held for Sale (note 4)	-	-	(21,556)	-	(193)	(6,574)	-	-	(28,323)
At 31 December 2022	542,548	7,970,490	875,569	1,348,308	60,804	1,286,955	1,633,497	1,862,237	15,580,408
Accumulated depreciation:									
At 1 January 2022 (Audited)	285,492	2,086,902	754,658	494,396	61,195	953,379	932,010	-	5,568,032
Effect of restatement (note 2.2)	-	(96,985)	(18,073)	(34,848)	(168)	(37,161)	-	-	(187,235)
Balance at the beginning of the year (restated)	285,492	1,989,917	736,585	459,548	61,027	916,218	932,010	-	5,380,797
Depreciation charge for the year	11,813	219,577	63,829	91,904	3,213	68,246	118,509	-	577,091
Disposals	(33)	(1,491)	(8,361)	(9,834)	(1,265)	(18,752)	(15,468)	-	(55,204)
Transferred to investment properties (note 17)	-	(34,490)	-	-	-	(911)	-	-	(35,401)
Foreign currency translation differences	(11,612)	(44,342)	(24,847)	(18,999)	(6,017)	(25,775)	(11,248)	-	(142,840)
Impairment (note 2.2)	(3,267)	-	(162)	-	-	(322)	-	-	(3,751)
Asset Held for Sale (note 4)	-	-	(17,272)	-	(193)	(6,698)	-	-	(24,163)
At 31 December 2022	282,393	2,129,171	749,772	522,619	56,765	932,006	1,023,803	-	5,696,529
Net carrying amount: At 31 December 2022	260,155	5,841,319	125,797	825,689	4,039	354,949	609,694	1,862,237	9,883,879

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

2021 (Restated):

	Leasehold improvements AED'000	Land and buildings AED'000	Computers and office equipment AED'000	Plant, machinery and heavy equipment AED'000	Motor vehicles AED'000	Furniture and fixtures AED'000	Leisure, entertainment and other assets AED'000	Capital work-in-progress AED'000	Total AED'000
Cost:									
At 1 January 2021 (Audited)	585,487	7,947,342	779,757	934,461	67,446	1,095,381	1,578,129	2,267,709	15,255,712
Effect of restatement (note 2.2)	-	(1,495,833)	(22,398)	(45,998)	(260)	(54,386)	(2,583)	(16,518)	(1,637,976)
Balance at the beginning of the year (restated)	585,487	6,451,509	757,359	888,463	67,186	1,040,995	1,575,546	2,251,191	13,617,736
Additions/Adjustments	15,757	46,405	46,550	19,730	2,745	36,585	22,675	1,102,283	1,292,730
Disposals	(280)	-	(4,410)	(6,676)	(2,015)	(14,418)	(18,227)	(15,143)	(61,169)
Impairment (note 2.2)	(7,349)	(53,309)	(1,741)	-	-	(724)	(37,627)	(21,006)	(121,756)
Tansfers	-	528,226	21,620	284,807	84	118,947	5,638	(959,322)	-
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)	(3,964)	(843)	(2,021)	(174)	(2,646)	(2,845)	(242)	(41,620)
At 31 December 2021	564,730	6,995,169	818,535	1,184,303	67,826	1,184,353	1,545,160	2,177,918	14,537,994
Accumulated depreciation:									
At 1 January 2021 (Audited)	287,384	1,834,927	657,362	410,883	59,242	888,888	838,556	-	4,977,242
Effect of restatement (note 2.2)	-	(71,345)	(15,340)	(23,647)	(81)	(29,599)	(4,675)	-	(144,687)
Balance at the beginning of the year (restated)	287,384	1,763,582	642,022	387,236	59,161	859,289	833,881	-	4,832,555
Depreciation charge for the year	16,034	224,531	100,652	80,292	3,774	72,778	115,942	-	614,003
Disposals	(173)	-	(4,542)	(6,035)	(1,789)	(13,646)	(15,236)	-	(41,421)
Impairment (note 2.2)	(4,531)	-	(803)	-	-	(314)	(1,349)	-	(6,997)
Transferred to development properties (note 12)	-	-	-	-	-	(847)	-	-	(847
Transferred from investment properties (note 17)	-	5,402	-	-	-	-	-	-	5,402
Foreign currency translation differences	(13,222)	(3,598)	(744)	(1,945)	(119)	(1,042)	(1,228)	-	(21,898)
At 31 December 2021	285,492	1,989,917	736,585	459,548	61,027	916,218	932,010	-	5,380,797
Net carrying amount: At 31 December 2021	279,238	5,005,252	81,950	724,755	6,799	268,135	613,150	2,177,918	9,157,197

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

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 8.75% (2021: 5.50% to 7.75%) and a discount rate range of 8.75% to 10.75% (2021: 7% to 9.75%) 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 2022, the fair value of these revenue generating property, plant and equipment assets is AED 8,940,507 thousands (31 December 2021 (Restated): AED 7,728,221 thousands) compared with a carrying value of AED 6,992,931 thousands (31 December 2021 (Restated): AED 6,369,489 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 AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
2022	**8,940,507**	**-**	**-**	**8,940,507**
2021	7,728,221	-	-	7,728,221

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

2022:

	Land AED'000	Buildings AED'000	Plant and equipment AED'000	Furniture, fixtures and others AED'000	Capital work-in-progress AED'000	Total AED'000
Cost:						
At 1 January 2022	**1,990,938**	**18,489,856**	**438,334**	**1,140,302**	**5,727,260**	**27,786,690**
Additions	**13,366**	**421,082**	**-**	**25,002**	**252,525**	**711,975**
Acquisition of DCH (note 2.1)	**19,054**	**144,437**	**-**	**1,829**	**21,113**	**186,433**
Disposals /adjustments	**(264)**	**(101,701)**	**-**	**-**	**-**	**(101,965)**
Impairment	**-**	**-**	**-**	**-**	**(12,877)**	**(12,877)**
Transfers	**-**	**4,293,769**	**-**	**-**	**(4,293,769)**	**-**
Transferred from development properties (note 12)	**-**	**-**	**-**	**-**	**4,496**	**4,496**
Transferred from property, plant and equipment (note 16)	**2,588**	**77,656**	**-**	**911**	**-**	**81,155**
Foreign currency translation differences	**(5,668)**	**(106,722)**	**-**	**-**	**(99,410)**	**(211,800)**
At 31 December 2022	**2,020,014**	**23,218,377**	**438,334**	**1,168,044**	**1,599,338**	**28,444,107**
Accumulated depreciation:						
At 1 January 2022	**-**	**3,721,577**	**436,937**	**885,276**	**-**	**5,043,790**
Depreciation charge for the year	**-**	**616,283**	**54**	**75,740**	**-**	**692,077**
Disposals /adjustments	**-**	**(365)**	**-**	**-**	**-**	**(365)**
Transferred from property, plant and equipment (note 16)	**-**	**34,490**	**-**	**911**	**-**	**35,401**
Foreign currency translation differences	**-**	**(15,055)**	**-**	**-**	**-**	**(15,055)**
At 31 December 2022	**-**	**4,356,930**	**436,991**	**961,927**	**-**	**5,755,848**
Net carrying amount:						
At 31 December 2022	**2,020,014**	**18,861,447**	**1,343**	**206,117**	**1,599,338**	**22,688,259**

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

2021:

	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 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)	-
Transferred 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 from development properties (note 12)	-	(4,589)	-	-	-	(4,589)
Transferred from 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

The fair value of the freehold interest in Group's investment properties at 31 December 2022 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 6.50% to 8.75% (2021: 7.85% to 8.80%) (income capitalisation method). Where there are outstanding construction costs to complete the property these have been reflected in the valuation (residual method). Also refer note 2.2.

The fair value of investment properties as at 31 December 2022 is AED 65,390,845 thousands (31 December 2021: AED 62,387,771 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
2022	**65,390,845**	**-**	**-**	**65,390,845**
2021	62,387,771	-	-	62,387,771

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.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

18 Intangible Assets

2022:

	Goodwill AED'000	Brand AED'000	Customers relationship AED'000	Software AED'000	Total AED'000
Cost:					
At 1 January 2022	**573,382**	**164,300**	**51,700**	**5,309**	**794,691**
Additions	-	-	-	**3,977**	**3,977**
Asset Held for Sale (note 4)	**(365,012)**	**(164,300)**	-	-	**(529,312)**
At 31 December 2022	**208,370**	-	**51,700**	**9,286**	**269,356**
Amortisation:					
At 1 January 2022	-	-	**44,816**	**5,309**	**50,125**
Charge for the year	-	-	**6,884**	**405**	**7,289**
At 31 December 2022	-	-	**51,700**	**5,714**	**57,414**
Net carrying amount:					
At 31 December 2022	**208,370**	-	-	**3,572**	**211,942**

2021:

	Goodwill AED'000	Brand AED'000	Customers relationship AED'000	Software AED'000	Total AED'000
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

Impairment assessment of goodwill

CGUs containing goodwill include Hamptons in the MENA region (AED 46,066 thousands) and Mirage Leisure and Development Inc. (AED 162,304 thousands) and has been tested for impairment using a value in use model. The calculation of value in use was sensitive to the following assumptions:

(i) Gross margins - Gross margins were based on the expectations of management based on past experience and expectation of future market conditions.

(ii) Discount rates - Discount rates reflected management's estimate of the specific risks. The discount rate was based on the risk-free rate of the investment's country, market risk premium related to the industry and individual unit related risk premium/ discount. This was the benchmark used by management to assess performance and to evaluate future investment proposals. Management estimated that such discount rate to be used for evaluation of the investment should be between 7.5% to 17% (2021: 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 1% to 4% (2021: 0.5% to 22%) was assumed based on the nature of CGUs.

With regard to the assessment of value in use of the goodwill, management believes that no reasonably possible change in a key assumption would cause the carrying value of the goodwill to materially exceed its recoverable amount.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

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

	2022 AED'000	2021 AED'000
As at 1 January	**1,066,681**	1,268,823
Additions	**15,923**	-
Depreciation (note 6)	**(124,086)**	(126,233)
Asset held for sale (note 4)	**(3,667)**	-
Provision for impairment (note 2.2)	-	(75,909)
As at 31 December	**954,851**	1,066,681

Lease liabilities

	2022 AED'000	2021 AED'000
As at 1 January	**1,152,292**	1,239,009
Additions	**15,923**	-
Interest expense	**58,515**	66,971
Other adjustments	**(77,911)**	-
Payments	**(167,995)**	(153,688)
As at 31 December (note 20)	**980,824**	1,152,292

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% (2021: 4% to 8%).

20 Trade and Other Payables

	2022 AED'000	2021 AED'000 (Restated)
Project contract cost accruals and provisions	**7,563,969**	6,730,990
Creditors for land purchase	**2,691,964**	4,059,548
Trade payables	**2,011,974**	1,563,719
Lease liabilities (note 19)	**980,824**	1,152,292
Payable to non-controlling interests	**258,720**	204,429
Dividends payable	**285,644**	287,545
Income tax payable (note 8)	**242,728**	275,539
Other payables and accruals (also refer note 2.1)	**5,623,941**	4,247,313
	19,659,764	18,521,375

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.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

21 Advances from Customers

	2022 AED'000	2021 AED'000 (Restated)
Balance at the beginning of the year	**13,791,499**	11,689,423
Effect of restatement (note 2.2)	**(7,993)**	(8,640)
Balance at the beginning of the year (Restated)	**13,783,506**	11,680,783
Additions during the year	**27,178,662**	27,086,150
Revenue recognised during the year	**(21,697,229)**	(24,976,553)
Acquired on acquisition of DCH (note 2.1)	**1,669,776**	-
Foreign currency translation differences	**(1,370,986)**	(6,874)
Balance at the end of the year	**19,563,729**	13,783,506

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 2022 is AED 52,038,986 thousands (excluding joint ventures) (31 December 2021 (Restated): AED 40,197,341 thousands). The Group expects to recognise these unsatisfied performance obligations as revenue over a period of 5 years.

22 Retentions Payable

	2022 AED'000	2021 AED'000 (Restated)
Retentions payable within 12 months	**1,098,066**	856,704
Retentions payable after 12 months	**522,477**	628,712
	1,620,543	1,485,416

23 Interest-Bearing Loans and Borrowings

	2022 AED'000	2021 AED'000 (Restated)
Balance at the beginning of the year (Audited)	**9,195,391**	13,993,753
Less: Effect of restatement (note 2.2)	**(708,124)**	(802,791)
Balance at the beginning of the year (restated)	**8,487,267**	13,190,962
Add: Borrowings drawndown during the year	**10,816,461**	5,461,571
Less: Borrowings repaid during the year	**(13,961,358)**	(10,165,266)
Less: Transferred to assets held for sale	**(42,065)**	-
Total	**5,300,305**	8,487,267
Add: Facilities payable on demand (note 9)	**42,236**	223,521
Less: Unamortised portion of directly attributable costs	**(11,314)**	(2,029)
Net interest-bearing loans and borrowings at the end of the year	**5,331,227**	8,708,759
Interest-bearing loans and borrowings maturity profile:		
Within 12 months	**1,456,757**	6,317,370
After 12 months	**3,874,470**	2,391,389
Balance at the end of the year	**5,331,227**	8,708,759
Interest-bearing loans and borrowings located:		
Within UAE	**1,395,695**	4,702,299
Outside UAE	**3,935,532**	4,006,460
	5,331,227	8,708,759

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

The Group has the following secured and unsecured interest-bearing loans and borrowings:

Secured

+ USD 8,615 thousands (AED 31,643 thousands) loan from commercial bank, secured against certain assets in Lebanon, carries interest at 7.5% per annum and is repayable by 2023.
+ EGP 1,043,216 thousands (AED 154,709 thousands) loan from commercial bank in Egypt, secured against certain assets in Egypt, carries interest at corridor rate – 20bp and is repayable by 2023.

Unsecured

+ The Group had drawdown AED 503,673 thousands out of AED 5,509,500 thousands Revolving Credit Line Facility (the "Facility") availed from the syndication of commercial banks in UAE, carries interest / profit at EIBOR plus 1% per annum and is repayable by 2025. The facility is presented in the consolidated financial statements at AED 503,619 thousands net of unamortised directly attributable transaction cost.
+ During 2019, the Group had availed 6-year Revolving credit facility ("RCF facility" or "old facility") of USD 1,000,000 thousands (AED 3,673,000 thousands). This unsecured RCF facility carried interest rate at 3 months LIBOR plus 1.25% per annum. During the current year, the outstanding amount from old facility was settled in full. During the current year, the Group has obtained two new facilities aggregating to AED 3,673,000 thousands. The tenure of these new facilities is for a period of six years from the date of the agreements and carry profit rates of 1 or 3 month EIBOR plus a margin of 1%. These facilities are guaranteed by the Parent Company. The outstanding amount from these facilities as at 31 December 2022 is AED 853,583 thousand.
+ AED 42,236 thousands represent facilities obtained from commercial banks in the United Arab Emirates bearing interest of 1 month EIBOR plus 1% per annum and is payable on demand.
+ AED 1,454,508 thousands loan from a commercial bank in the United Arab Emirates, bearing interest at 3 month EIBOR plus 1.20% per annum and repayable in 2027.
+ EGP 1,792,120 thousands (AED 265,771 thousands) of funding facilities from a commercial bank in Egypt, bearing interest at rate of 11.28% and repayable by 2027.
+ USD 7,000 thousands (AED 25,711 thousands) loans from commercial banks in Lebanon, bearing interest up to 3.65% per annum and repayable in 2023.
+ SAR 130,000 thousands (AED 127,049 thousands) loan from a commercial bank bearing interest at SIBOR plus 1% per annum and are repayable in 2023.
+ INR 42,259,951 thousands (AED 1,876,342 thousands) loans from commercial banks in India, bearing interest from 5.80% to 10.09% per annum and repayable by 2028.

As at the reporting date, the group has complied with applicable financial covenants on its loans and borrowings.

24 Sukuk

	2022 AED'000	2021 AED'000 (Restated)
Emaar Sukuk Limited:		
- Series 3	**2,749,339**	2,749,354
- Series 4	**1,833,356**	1,832,444
- Series 5	**1,833,053**	1,832,667
EMG Sukuk Limited:		
- Sukuk	**2,750,936**	2,748,475
Total Sukuk liability as at year-end (all payable after 12 months)	**9,166,684**	9,162,940

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

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:

	2022 AED'000	2021 AED'000 (Restated)
Sukuk liability as at year-end	**2,749,339**	2,749,354

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:

	2022 AED'000	2021 AED'000 (Restated)
Sukuk liability as at year-end	**1,833,356**	1,832,444

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:

	2022 AED'000	2021 AED'000 (Restated)
Sukuk liability as at year-end	**1,833,053**	1,832,667

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As at 31 December 2022

B. EMG Sukuk Limited:

On 18 June 2014, the EMG Sukuk Limited (the "Issuer"), a limited liability company registered in the Cayman Islands and a wholly owned subsidiary of Emaar Malls Management LLC, has issued trust certificates (the "Sukuk") amounting to USD 750,000 thousands (AED 2,754,750 thousands). The Sukuk is listed on the NASDAQ Dubai and is due for repayment in 2024. The Sukuk carries a profit distribution rate of 4.6% per annum to be paid semi-annually.

	2022 AED'000	2021 AED'000 (Restated)
Sukuk liability as at year-end	**2,750,936**	2,748,475

25 Employee Benefits

End-of-Service Benefits

The movement in the provision for employees' end-of-service benefits are as follows:

	2022 AED'000	2021 AED'000 (Restated)
Balance at the beginning of the year (Audited)	**177,561**	167,211
Effect of restatement (note 2.2)	**(3,865)**	(3,188)
Balance at the beginning of the year (Restated)	**173,696**	164,023
Provided during the year	**30,126**	30,618
Paid during the year	**(26,778)**	(20,945)
Balance at the end of the year	**177,044**	173,696

26 Share Capital

	2022 AED'000	2021 AED'000 (Restated)
Authorised capital 8,838,789,849 shares of AED 1 each (2021: 8,179,738,882 shares of AED 1 each) (refer note below)	**8,838,790**	8,179,739
Issued and fully paid-up 8,838,789,849 shares of AED 1 each (2021: 8,179,738,882 shares of AED 1 each) (refer note below)	**8,838,790**	8,179,739

(i) The Company's shareholders, at the general meeting held on 21 September 2022, approved to increase authorised share capital of the Company to 8,838,789,849 shares. During the year, after securing necessary approvals from authorities, the Company has issued a convertible bond to Dubai Holding Group on 8 December 2022 which were converted into 659,050,967 fully paid equity shares of the Company on 22 December 2022. (refer Note 2.1, 27 and 28).

(ii) The shareholders of the Company had resolved, in its Annual General Meeting held on 20 April 2022, to initiate a share buyback program by Emaar Properties PJSC of not more than 1% of its issued share capital. No buyback has been initiated during the current year.

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As at 31 December 2022

27 Reserves

	Statutory reserve AED'000	Capital reserve AED'000	General reserves AED'000	Share premium AED'000	Net unrealised gains (losses) reserve AED'000	Foreign currency translation reserve AED'000	Total AED'000
Balance as at 1 January 2021	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 (note 2.1(b))	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
Balance as at 1 January 2022	**17,318,101**	**3,660**	**7,320,841**	**578,234**	**(1,400,267)**	**(3,773,964)**	**20,046,605**
Increase in unrealised reserve	-	-	-	-	**314,039**	-	**314,039**
Decrease in foreign currency translation reserve	-	-	-	-	-	**(2,135,168)**	**(2,135,168)**
Net gain / (loss) recognised directly in equity	-	-	-	-	**314,039**	**(2,135,168)**	**(1,821,129)**
Issuance of new equity shares on Acquisition of DCH (refer note 2.1 (a))	**3,090,949**	-	-	-	-	-	**3,090,949**
Net movement during the year	-	-	**683,205**	-	-	-	**683,205**
Balance as at 31 December 2022	**20,409,050**	**3,660**	**8,004,046**	**578,234**	**(1,086,228)**	**(5,909,132)**	**21,999,630**

(a) Statutory and General reserve:

According to Article number 57 of the Articles of Association of the Company and Article 241 of the UAE Federal Decree Law No. (32) of 2021, 10% of annual net profits after 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 (b).
+ AED 3,090,949 thousands being the premium of AED 4.69 per share (share par value at AED

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1 per share) on issuance of new shares of the Company to Dubai Holding Group as part consideration to fully acquire the shareholding of DCH from Dubai Holding Group on 22 December 2022. Also refer Notes 2.1(a) 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.

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:

	2022 AED'000	2021 AED'000 (Restated)
Earnings:		
Profit attributable to the owners of the Company for basic earnings	**6,832,049**	3,800,661

	2022	2021
Number of shares in thousands		
Weighted-average number of ordinary shares for basic earnings per share (i & ii)	**8,223,074**	7,274,314

	2022	2021 (Restated)
Earnings per share:		
- Basic and diluted earnings per share (AED)	**0.83**	0.52

(i) The weighted average number of shares at 31 December 2022 take account mandatory convertible bonds issued by the Company on 8 December 2022 which were converted into 659,050,967 new equity shares on 22 December 2022 in connection with the acquisition of DCH (refer notes 2.1(a) and 26).

(ii) 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 (refer notes 2.1(b) and 26).

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As at 31 December 2022

29 Guarantees and Contingencies

a) Guarantees

1. The Group has issued financial guarantees and letters of credit of AED 1,369,284 thousands (31 December 2021: AED 32,047 thousands).

2. The Group has provided a financial guarantee of AED 5,000 thousands (31 December 2021: AED 5,000 thousands) as security for the letter of guarantee issued by a commercial bank for issuance of a trade license from the Government of Dubai.

3. The Group has provided a performance guarantee of AED 5,735,967 thousands (31 December 2021: AED 6,351,465 thousands) to the Real Estate Regulatory Authority (RERA), Dubai for its new projects as per RERA regulations.

4. The Group has provided guarantee of AED 430,577 thousands (31 December 2021: AED 417,098 thousands) to commercial banks as security for a joint venture of the Group and against promissory notes issued by an entity with which Group is developing a project under development agreements.

5. The Group has provided performance guarantees of AED 98,848 thousands (31 December 2021: AED 104,131 thousands) to various government authorities in India for its projects. The banks have a lien of AED 192,377 thousands (31 December 2021: AED 145,163 thousands) towards various facilities (refer note 9).

6. The Group has provided a letter of credit and credit card facility of AED 278 thousands (2021: AED 438 thousands) in Egypt for its project. The bank has a lien of AED 278 thousands (2021: AED 438 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 7,415 thousands) (2021: AED 11,684 thousands) to government authority in Egypt for its project. The bank has a lien of EGP 50,000 thousands (AED 7,415 thousands) (2021: AED 11,684 thousands) (refer note 9) towards this bank guarantee.

b) Contingencies

1. (a) Andhra Pradesh Industrial Infrastructure Corporation Ltd. ('APIIC'), a joint venture partner in certain subsidiaries of the Group in India, issued a legal notice to the Emaar India Land Ltd. (Emaar India) to terminate certain development and operational management agreements which were entered into between Emaar India, Emaar Hills Township Private Limited ('EHTPL' – a joint venture of the Group with APIIC) and Boulder Hills Leisure Private Limited ('BHLPL' – a joint venture of the Group with APIIC). APIIC has filed another suit against Emaar India to restrain Emaar India from carrying out any activity related to these developments. In addition thereto, number of litigations were initiated against the Group by third parties on the grounds of irregularities in acquisition and allocation of land, sale plots etc. Under the matter, the Company had also received an attachment order of its certain properties from Enforcement Directorate. The Company has assets and liabilities of INR 4,290.77 million (AED 195 million) and INR 1,288.2 million (AED 58.5 million) respectively.

   The management based on legal advice, is of the opinion that all the aforesaid suits filed by APIIC which are now being contested by Telangana State Industrial Infrastructure Corporation ('TSIIC'), shall be settled amicably by the parties through local and legal provisions available.

   (b) TSIIC has filed a Petition before the National Company Law Tribunal, ("NCLT") Hyderabad Bench against EHTPL and certain other parties under Section 241 and 242 of the Indian Companies Act 2013. The management believes that since the factual position with respect to demerger proceedings between APIIC and TSIIC has not changed and are still pending, therefore TSIIC has no locus standi to file the petition as it is not a shareholder and recorded member of EHTPL and its name has not been entered into the Statutory Register of Members as maintained in terms of the provisions of the Indian Companies Act 2013. Accordingly, management believes that the petition filed by TSIIC is not tenable. However, on 25 July 2022, the maintainability issue has been decided by the NCLT, Hyderabad Bench in favour of the TSIIC and the Group or its representatives have been restrained from dealing with the assets and properties of EHTPL.The Group appealed the judgement of the NCLT before the NCLAT, which was settled by judgement passed on 10 October 2022. The decision of maintainability has been decided in favour of TSIIC, however, the interim order granting compensation has been set aside by the NCLAT. The Group had filed an appeal before the Supreme Court of India to challenge the judgement by NCLAT where the Supreme Court declined to interfere in the orders of the NCLAT, left the decision on maintainability open. The replies by all respondents have been filed and the parties intend to file an application seeking reference of the matter to arbitration as provided under law.

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 81 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 629 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 642 million) including LD. The cross examinations before the Arbitral Tribual have been completed and the parties have to file their written submissions by 9 January 2023.

   The management believes, based on legal opinion, that EMCPL has met the requirements as per PDA and the LD imposed / BG invoked and other claims raised by DDA are not justifiable.

3. 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 5,280 million (AED 240 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 519 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. In the interim, the Contractor has sought to amicably settle the matter and both parties have jointly sought adjournment before the presiding arbitrator to explore the possibility of an amicable settlement in the said matter.

4. In connection with the debt-to-equity conversion by Emaar, The Economic City (EEC) of the investor loan novated to the Public Investment Fund (PIF), several group entities of Emaar, as shareholders in EEC (Emaar Warrantors), gave certain warranties

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and indemnities to PIF which expires at varying periods. Till date, there has been no notice of claim given to any of the Emaar Warrantors by PIF against such warranties or indemnities.

30 Commitments

At 31 December 2022, the Group had commitments of AED 11,619,330 thousands (2021: AED 8,666,977 thousands) which include project commitments of AED 11,015,649 thousands (2021: AED 7,928,074 thousands).

This represents the value of contracts entered into by the Group including contracts entered for purchase of plots of land during the year net of invoices received and accruals made at that date.

There were certain claims submitted by contractors and other parties relating to various projects of the Group in the ordinary course of business from which it is anticipated that no material unprovided liabilities will arise.

Operating lease - Group as lessor

The Group has entered into leases on its investment property portfolio. The future minimum rentals receivable under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables, are as follows:

	2022 AED'000	2021 AED'000 (Restated)
Within one year	**3,237,966**	2,792,654
After one year but not more than five years	**6,067,242**	5,926,985
More than five years	**1,066,167**	1,132,342
	10,371,375	9,851,981

In addition to the above lease entitlements, 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 0.15 per share for the year ended 31 December 2021 was approved by the shareholders of the Company at the Annual General Meeting of the Company held on 20 April 2022 and was being subsequently paid in 2022.

A cash dividend of AED 0.25 per share for the year ended 31 December 2022 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

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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:

	2022 AED'000	2021 AED'000 (Restated)
Associates and Joint Ventures:		
Property development expenses	**21,287**	31,742
Islamic finance income	**2,120**	2,229
Selling, general and administrative expenses	**10,013**	13,146
Revenue from leasing, retail and related income	**197**	273
Cost of revenue	**85,126**	106,051
Other operating income	**5,604**	6,605
Directors, Key management personnel and their related parties:		
Selling, general and administrative expenses	**100,566**	159,193
Rental income from leased properties and related income	**77,194**	79,816
Finance costs	**56,022**	44,328
Cost of revenue	**14,141**	11,755
Other income	**-**	3,000
Other operating income	**38,038**	23,703
Property development expenses	**24,240**	-

Related party balances

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

	2022 AED'000	2021 AED'000 (Restated)
Associates and Joint Ventures:		
Trade and other payables	**7,877**	14,978
Trade and unbilled receivables	**1,305**	1,671
Advance from customers	**4,104**	-

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	2022 AED'000	2021 AED'000 (Restated)
Directors, Key management personnel and their related parties:		
Trade and unbilled receivables	**7,483**	2,897
Other assets, receivables, deposits and prepayments	**66,047**	151,772
Trade and other payables	**422,070**	694,398
Advance from customers	**3,117**	4,312

Compensation of key management personnel

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

	2022 AED'000	2021 AED'000 (Restated)
Short-term benefits	**223,143**	219,799
Employees' end-of-service benefits	**11,393**	8,545
	234,536	228,344

During the year, the number of key management personnel is 167 (2021: 160).

During the year, the Company has paid a bonus of AED 9,199 thousands to the non-executive members of the Board of Directors for the year 2021 as approved by the shareholders at the Annual General Meeting of the Company held on 20 April 2022 (2021: AED 9,329 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 46,244,961 thousands (2021 (restated): AED 36,153,163 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 98% (2021: 96%) 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 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. 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.

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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.

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):

	2022		2021 (Restated)	
	Changein basis points	Sensitivity of interest expense AED'000	Changein basis points	Sensitivity of interest expense AED'000
Financial liabilities	± 100	24,214	± 100	82,625

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 to the consolidated financial statements. The Group also carries certain fixed rate financial assets and liabilities, which does not have any significant exposure on interest rate risk.

Exposure to foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's significant monetary assets and liabilities denominated in foreign currencies are either in USD or in currencies pegged to USD. As the AED is currently pegged to the USD, balances in USD and other currencies pegged against USD are not considered to represent significant currency risk.

However, the Group's exposure to the risk of changes in foreign exchange rates primarily relates to the Group's net investments in those subsidiaries and associates where functional currencies are denominated in a different currency from the Group's functional currency and which are not pegged to the AED and USD. The foreign currency exchange differences arising upon consolidation of these entities for the purpose of preparation of the Group's consolidated financial statements are recorded in the consolidated statement of changes in equity through the consolidated statement of comprehensive income.

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The table below indicates the sensitivity analysis of a change in foreign exchange rates of these currencies and their impact on other comprehensive income:

	2022		2021	
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	378,241	+10	459,384
INR	+10	113,755	+10	151,106
Other currencies not pegged to US Dollar	+10	(27,045)	+10	(31,112)

Exposure to equity price risk

Equity price risk is the risk that the fair values of equities increase or decrease as a result of changes in the levels of equity indices and the value of individual stocks. The non-trading equity price risk exposure arises from the Group's investment portfolio. Equity price risk arises from equity instruments held by the Group at fair value through other comprehensive income and fair value through profit and loss. Management of the Group monitors equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed by qualified fund managers as well as on an individual basis. The primary goal of the Group's investment strategy is to maximise investment returns. The effect on fair value of investment in securities (as a result of a change in the fair value of equity instruments held at fair value through other comprehensive income and fair value through profit and loss as at 31 December) due to a reasonably possible change in equity indices, with all other variables held constant, is as follows:

	2022		2021	
	Change in equity price in %	Effect on equity AED'000	Change in equity price in %	Effect on equity AED'000
Investments	+ 10	83,740	+ 10	143,230

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.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

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 2022				
Interest-bearing loans and borrowings	**2,070,361**	**5,213,667**	**525,093**	**7,809,121**
Retentions payable	**1,098,066**	**522,477**	**-**	**1,620,543**
Lease liabilities	**151,009**	**502,100**	**431,651**	**1,084,760**
Payable to non-controlling interests	**-**	**258,720**	**-**	**258,720**
Dividend payable	**285,644**	**-**	**-**	**285,644**
Sukuk	**364,977**	**6,429,228**	**4,087,131**	**10,881,336**
Other liabilities	**11,959,784**	**5,613,368**	**181,097**	**17,754,249**
Total undiscounted financial liabilities	**15,929,841**	**18,539,560**	**5,224,972**	**39,694,373**

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 (Restated)				
Interest-bearing loans and borrowings	6,928,701	3,795,801	553,246	11,277,748
Retentions payable	856,704	628,712	-	1,485,416
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	8,429,167	7,071,531	919,102	16,419,800
Total undiscounted financial liabilities	17,012,173	18,938,586	6,251,840	42,202,599

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 2022, the Groups' gearing ratio is (6)% (2021 (Restated): 13%). 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 2022 and 31 December 2021.

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.

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

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.

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 2022	NCI holding 2021
Emaar Development PJSC	UAE	**19.84%**	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 2022. This information is based on the amounts before inter-company elimination.

	Emaar Development PJSC AED'000	Emaar Misr for Development SAE AED'000	Emaar India Limited AED'000
Total assets	42,474,437	10,213,119	8,026,414
Total liabilities	22,402,884	5,905,047	6,661,829
Total equity	20,071,553	4,308,072	1,364,585
Attributable to:			
Owners of the Company	13,680,401	3,782,406	964,239
Non-controlling interest	6,391,152	525,666	400,346

The following table summarises the income statement of these subsidiaries as at 31 December 2022. This information is based on the amounts before inter-company elimination.

	Emaar Development PJSC AED'000	Emaar Misr for Development SAE AED'000	Emaar India Limited AED'000
Revenue	11,540,904	2,893,441	892,313
Profit / (loss) for the year	4,265,078	1,303,091	(301,997)
Total comprehensive income for the year	4,265,078	1,303,091	(301,997)
Attributable to:			
Owners of the Company	3,046,599	1,156,364	(232,326)
Non-controlling interest	1,218,479	146,727	(69,671)

Notes to the Consolidated Financial Statements (continued)

As at 31 December 2022

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 (Restated)	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

*Refer note 2.1(b)

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 (Restated)	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)

*Refer note 2.1(b)

36 Subsequent Events

Subsequent to the year end, the conditions and regulatory approvals related to sale of Namshi to Noon AD Holdings Limited got completed on 9 February 2023 and the group has received the agreed sales proceed of AED 1,231,190 thousand from Noon AD Holdings Limited on 10 February 2023. Also refer note 4.

Emaar Properties PJSC

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