Dubai Investments

Integrated Report 2021

Directors' report

The Board of Directors ("the Board") of Dubai Investments PJSC ("the Company") is pleased to present their report along with the audited consolidated financial statements of the Company and its subsidiaries (together, "the Group") for the year ended 31 December 2021.

Principal activities

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

Financial performance

The Group has reported profit attributable to the shareholders of the Company of AED 619.49 million for the year ended 31 December 2021 as compared to AED 347.55 million in the previous year.

The Group has reported higher profits as compared to the previous year mainly on account of strong performance of manufacturing, contracting and services segment, gain on fair valuation of financial investments and investment properties, and acquisition of additional interest in an equity accounted investee.

Total assets of the Group stands at AED 21.78 billion as of 31 December 2021 (2020: AED 21.76 billion).

Dividend

In line with its commitment to provide enhanced returns to shareholders, the Board propose to distribute cash dividend of 12% to the shareholders of the Company.

Proposed appropriations

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

	AED'000
Transfer to legal reserve	67,545
Transfer to general reserve	2,668
Proposed cash dividend	510,242
Proposed Directors' fee	12,000

Outlook 2022

The Group is cautiously optimistic about 2022. The reforms announced by the UAE Government over past few months along with further relaxation of COVID related restrictions is expected to have positive impact on UAE economy. The Group is well poised to capitalize on the opportunities arising out of the rebound in the economic activities and making steady progress in its endeavor to expand its presence in MENA with several proposals under active consideration.

Director's report (continued)

Directors

The Board of Directors comprises:

Mr. Abdulrahman Ghanem Abdulrahman Almutaiwee - Chairman
Mr. Khalid Jassim Mohammed Bin Kalban - Vice Chairman
Mr. Ali Fardan Ali Al Fardan
Mr. Mohammed Saif Darwish Ahmed Al Ketbi
Mr. Khaled Mohammed Ali Al Kamda
Mr. Abdulrahman Mohamed Rashed Al Shared
Mr. Hussain Nasser Ahmed Lootah

Related parties

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

Auditors

PricewaterhouseCoopers ("PwC") were appointed as the auditors of Dubai Investments PJSC for the year ended 31 December 2021. The Board propose to appoint PwC for the audit for the year ending 31st December 2022 who have expressed their willingness to continue in office.

Acknowledgment

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

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

On behalf of the Board

Abdulrahman Ghanem Abdulrahman Almutaiwee
Chairman

10th March 2022

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

Report on the audit of the consolidated financial statements

Our opinion

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

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of profit or loss for the year ended 31 December 2021;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of financial position as at 31 December 2021;
- the consolidated statement of changes in equity for the year ended 31 December 2021;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

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

Independence

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

Our audit approach

Overview

Key Audit Matters	• Valuation of investment properties • Valuation of properties held for development and sale within inventories

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

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

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

Our audit approach (continued)

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties	
The Group's investment property portfolio comprises of land with associated infrastructure and ancillary facilities, residential units, retail and commercial facilities, labour camps, warehouses and plots of land which are under development or are earmarked for future development. The Group's accounting policy is to state its investment properties at fair value at each reporting date. The property portfolio is valued at AED 8.98 billion. The net fair value gain recorded in the consolidated statement of profit or loss amounted to AED 55 million. The valuation of the Group's investment property portfolio is inherently subjective due to, among other factors, the individual nature of each property, its location, the expected future market rentals and associated capitalisation yield rates for the properties valued under the 'income capitalisation approach' or 'income valuation approach' (together, the 'income approach') and comparable selling prices for the properties that have been valued using the 'sales comparison approach'. The valuations of a significant portion of the property portfolio were carried out by independent registered valuers (the "Valuers"). The Valuers were engaged by management and they performed their work in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation – Global Standards taking into account the requirements of IFRS 13 – 'Fair Value Measurements'. The investment properties portfolio is valued by using the income approach or sales comparison approach. In determining a property's valuation, the Valuers take into account property specific information such as the current contracted tenancy agreements. The Valuers apply certain assumptions such as capitalisation yield rates, estimated future market rent, discount rates and market sales rates which are influenced by prevailing market yields and comparable market transactions and specific characteristics, such as property location and occupancy rate of each property in the portfolio, to arrive at the final valuation.	We assessed the competence, capabilities and objectivity of the Valuers engaged by management. We obtained the valuation reports for the properties valued by the Valuers and assessed whether the valuation approach used and methodology adopted by the Valuers is appropriate for determining the fair value of the investment properties for the purpose of the consolidated financial statements of the Group. Further, we determined, based on our judgement, the key valuation assumptions used within each property valuation, such as capitalisation yield rates, estimated future market rent, discount rates and market sales rate, and reviewed those for reasonableness. We involved our internal real estate valuation experts to review a sample of these valuation reports to assess the appropriateness of the valuation approach used, methodology adopted and to review the reasonableness of the key valuation assumptions used. Alongside our internal real estate valuation experts, we also held discussions with management and the Valuers to assess the appropriateness of the valuation approach used, methodology adopted and reasonableness of the key valuation assumptions used. We performed audit procedures to assess whether the property specific information used for the valuations is reasonable by comparing it, on a sample basis, to underlying supporting records such as the current contracted tenancy agreements. We reviewed the sensitivity analysis performed by management of the key assumptions used in the valuation models to assess the potential impact on the resulting valuations. We assessed the adequacy of the disclosures in Notes 12 and 39 to the consolidated financial statements.

Our audit approach (continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties (continued) The significance of the estimates and judgements involved in the valuations warranted specific audit focus in this area, as any significant variation in determination of the valuation inputs could have a material impact on the value of the Group's investment properties and fair value gain or loss recognised in respect of these investment properties. Refer to Notes 12 and 39 to the consolidated financial statements which includes the disclosures regarding the use of estimates and judgements by management in determining the fair valuation of investment properties.	
Valuation of properties held for development and sale within inventories The Group's properties held for development and sale ("PHDS") comprises of a residential project and land ear-marked for development projects and are stated at the lower of cost and net realisable value ("NRV"). The Group engaged a Valuer to assist management in determining the NRV of all PHDS amounting to AED 2.1 billion. The valuation of the Group's PHDS portfolio is inherently subjective due to, among other factors, the individual nature of each project, its location, estimates of selling prices, construction costs for properties under development, estimated future market rent and capitalisation yield rates. For determining the NRV of PHDS, the Valuer used the 'sales comparison approach' or 'income capitalisation approach'. The Valuer applies certain assumptions such as capitalisation yield rates, estimated future market rent and market sales rates which are influenced by prevailing market yields and comparable market transactions and specific characteristics, such as property location of each property in the portfolio, to arrive at the estimated selling price of the Group's PHDS. The significance of the estimates and judgements involved in determining the NRV of PHDS, warrants specific audit focus in this area as any significant change in these estimates could have a material impact on the carrying value of the Group's PHDS. Refer to Notes 17 and 39 to the consolidated financial statements, which includes the disclosures regarding the use of estimates and judgements by management in determining the NRV of PHDS.	We assessed the competence, capabilities and objectivity of the Valuer engaged by management. We involved our internal real estate valuation experts to review a sample of these valuation reports to assess the appropriateness of the valuation approach used, methodology adopted and to review the reasonableness of the key valuation assumptions used. Alongside our internal real estate valuation experts, we also held discussions with management and the Valuer to assess the appropriateness of the valuation approach used, methodology adopted and to review the reasonableness of the key valuation assumptions used. We performed audit procedures to assess whether the source data used for the valuations is reasonable by comparing it, on a sample basis, to underlying supporting records, such as testing the costs incurred to date, costs to be incurred and recent sales rates for units sold. We assessed the adequacy of the disclosures in Notes 17 and 39 to the consolidated financial statements.

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

Other information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor’s responsibilities for the audit of the consolidated financial statements (continued)

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

Report on other legal and regulatory requirements

Further, as required by the UAE Federal Law No. (2) of 2015, as amended, we report that:

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

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

iii) the Group has maintained proper books of account;

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

v) as disclosed in Notes 13, 15 and 37 to the consolidated financial statements, the Group has purchased or invested in shares during the year ended 31 December 2021;

vi) Note 35 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted;

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

viii) Note 7 to the consolidated financial statements discloses the social contributions made during the year ended 31 December 2021.

PricewaterhouseCoopers
10 March 2022

Douglas O'Mahony
Registered Auditor Number 834
Dubai, United Arab Emirates

Dubai Investments PJSC and its subsidiaries

Consolidated statement of profit or loss

	Note	For the year ended 31 December 2021 AED'000	2020 AED'000
Sale of goods and services		**1,629,713**	1,388,904
Rental income		**822,004**	857,342
Contract revenue		**226,575**	197,233
Sale of properties		**508,472**	293,076
Gain/(loss) on fair valuation of investment properties	12	**55,399**	(91,367)
Gain/(loss) on fair valuation of investments	13	**100,036**	(9,653)
Gain on sale of investment properties		**-**	32,192
Gain on sale of investments	38	**33,065**	18,745
Share of profit/(loss) from equity accounted investees	15(iii)	**853**	(32,960)
Dividend income		**32,325**	22,824
Bargain purchase gain	15(ii)	**6,900**	-
Total income		**3,415,342**	2,676,336
Cost of sales	6	**(2,269,356)**	(1,784,942)
Administrative expenses	7	**(446,229)**	(455,101)
Finance costs	8	**(206,786)**	(285,247)
Net impairment losses on trade receivables	5	**(42,422)**	(51,949)
Finance income	8	**97,563**	34,997
Other income	9	**64,010**	139,041
Profit for the year		**612,122**	273,135
Profit attributable to:			
Owners of the Company		**619,487**	347,550
Non-controlling interests		**(7,365)**	(74,415)
Profit for the year		**612,122**	273,135
Earnings per share			
Basic and diluted earnings per share (AED)	31	**0.15**	0.08

The notes on pages 17 to 71 are an integral part of these financial statements.

Dubai Investments PJSC and its subsidiaries

Consolidated statement of comprehensive income

	Note	For the year ended 31 December 2021 AED'000	2020 AED'000
Profit for the year		**612,122**	273,135
Other comprehensive income ("OCI"):			
Items that will not be reclassified to profit or loss			
Net change in fair value of investments at fair value through OCI	13(c)	**(12,463)**	(41,747)
Total other comprehensive income for the year		**(12,463)**	(41,747)
Total comprehensive income for the year		**599,659**	231,388
Attributable to:			
Owners of the Company		**608,538**	310,815
Non-controlling interests		**(8,879)**	(79,427)
Total comprehensive income for the year		**599,659**	231,388

Dubai Investments PJSC and its subsidiaries

Consolidated statement of financial position

	Note	As at 31 December 2021 AED'000	2020 AED'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	**3,690,304**	3,959,621
Right-of-use-assets	23	**395,607**	467,806
Goodwill and intangible assets	11	**676,202**	501,445
Investment properties	12	**8,977,629**	8,489,201
Investments at fair value through other comprehensive income	13	**62,768**	78,904
Other financial assets at fair value through profit or loss	14	**45,769**	56,638
Investment in equity accounted investees'	15	**326,112**	98,536
Rent receivable	16	**53,771**	53,262
Inventories	17	**243,305**	251,719
Trade receivables	18	**340,384**	330,042
Due from related parties and other receivables	19	**15,789**	22,296
		14,827,640	14,309,470
Current assets			
Inventories	17	**2,095,848**	2,494,439
Investments at fair value through profit or loss	13	**1,661,552**	1,520,033
Trade receivables	18	**1,757,918**	1,717,554
Due from related parties and other receivables	19	**603,916**	625,521
Short-term deposits with banks	20	**116,092**	207,658
Cash and cash equivalents	20	**713,326**	886,872
		6,948,652	7,452,077
Total assets		**21,776,292**	21,761,547
EQUITY AND LIABILITIES			
EQUITY			
Share capital	25	**4,252,018**	4,252,018
Share premium	25	**46**	46
Capital reserve	26	**25,502**	25,502
Legal reserve	27	**1,278,017**	1,210,472
General reserve	27	**1,445,397**	1,442,729
Fair value reserve	28	**(191,854)**	(180,905)
Proposed dividend	29	**510,242**	340,161
Proposed directors' fee	30	**12,000**	10,500
Retained earnings		**4,740,223**	4,713,935
Equity attributable to owners of the Company		**12,071,591**	11,814,458
Non-controlling interests	36	**224,721**	234,128
Total equity		**12,296,312**	12,048,586

Dubai Investments PJSC and its subsidiaries

Consolidated statement of financial position (continued)

	Note	2021 AED'000	2020 AED'000
		As at 31 December	
LIABILITIES			
Non-current liabilities			
Long-term bank borrowings	21	**4,842,434**	4,944,051
Lease liabilities	23	**378,308**	435,842
Other payables	24	**293,648**	304,165
Total non-current liabilities		**5,514,390**	5,684,058
Current liabilities			
Bank borrowings	22	**2,118,342**	2,009,951
Lease liabilities	23	**43,196**	44,596
Trade and other payables	24	**1,804,052**	1,974,356
		3,965,590	4,028,903
Total liabilities		**9,479,980**	9,712,961
Total equity and liabilities		**21,776,292**	21,761,547

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

These consolidated financial statements were authorised for issue by the Board of Directors on 10th March 2022 and signed on its behalf by:

Abdulrahman Ghanem Almutawee
Chairman

Khalid Jassim Bin Kalban
Vice Chairman & Chief Executive Officer

Consolidated statement of changes in equity

	--------------------------- Equity attributable to owners of the Company--------------------------											
	Share capital AED'000	Share premium AED'000	Capital reserve AED'000	Legal reserve AED'000	General reserve AED'000	Fair value reserve AED'000	Proposed dividend AED'000	Proposed directors' fee AED'000	Retained earnings AED'000	Sub-total AED'000	Non-controlling interests AED'000	Total AED'000
Balance at 1 January 2021	**4,252,018**	**46**	**25,502**	**1,210,472**	**1,442,729**	**(180,905)**	**340,161**	**10,500**	**4,713,935**	**11,814,458**	**234,128**	**12,048,586**
Total comprehensive income for the year												
Profit for the year	-	-	-	-	-	-	-	-	619,487	619,487	(7,365)	612,122
Other comprehensive income												
Net change in fair value of investments at fair value through OCI (Note 13 (c))	-	-	-	-	-	(10,949)	-	-	-	(10,949)	(1,514)	(12,463)
Total other comprehensive income for the year	-	-	-	-	-	(10,949)	-	-	-	(10,949)	(1,514)	(12,463)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(10,949)**	**-**	**-**	**619,487**	**608,538**	**(8,879)**	**599,659**
Transactions with owners, in the capacity of owners												
Contributions by and distributions to owners												
Dividend paid	-	-	-	-	-	-	(340,161)	-	-	(340,161)	-	(340,161)
Dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,005)	(1,005)
Proposed dividend (Note 29)	-	-	-	-	-	-	510,242	-	(510,242)	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	-	170,081	-	(510,242)	(340,161)	(1,005)	(341,166)
Changes in ownership interests												
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	(744)	(744)	477	(267)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(744)	(744)	477	(267)
Total transactions with owners in the capacity of owners	**-**	**-**	**-**	**-**	**-**	**-**	**170,081**	**-**	**(510,986)**	**(340,905)**	**(528)**	**(341,433)**
Other movements												
Transfer to reserves	-	-	-	67,545	2,668	-	-	-	(70,213)	-	-	-
Directors' fees paid	-	-	-	-	-	-	-	(10,500)	-	(10,500)	-	(10,500)
Proposed directors' fee (Note 30)	-	-	-	-	-	-	-	12,000	(12,000)	-	-	-
Total other movements	**-**	**-**	**-**	**67,545**	**2,668**	**-**	**-**	**1,500**	**(82,213)**	**(10,500)**	**-**	**(10,500)**
Balance at 31 December 2021	**4,252,018**	**46**	**25,502**	**1,278,017**	**1,445,397**	**(191,854)**	**510,242**	**12,000**	**4,740,223**	**12,071,591**	**224,721**	**12,296,312**

Dubai Investments PJSC and its subsidiaries

Consolidated statement of changes in equity (continued)

	----------------------------Equity attributable to owners of the Company-------------------------											
	Share capital	Share premium	Capital reserve	Legal reserve	General reserve	Fair value reserve	Proposed dividend	Proposed directors' fee	Retained earnings	Sub-total	Non-controlling interests	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Balance at 1 January 2020	**4,252,018**	**46**	**25,502**	**1,176,846**	**1,435,654**	**(144,170)**	**425,202**	**10,500**	**4,794,534**	**11,976,132**	**229,973**	**12,206,105**
Total comprehensive income for the year												
Profit for the year	-	-	-	-	-	-	-	-	347,550	347,550	(74,415)	273,135
Other comprehensive income												
Net change in fair value of investments at fair value through OCI (Note 13 (c))	-	-	-	-	-	(36,735)	-	-	-	(36,735)	(5,012)	(41,747)
Total other comprehensive income for the year	-	-	-	-	-	(36,735)	-	-	-	(36,735)	(5,012)	(41,747)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(36,735)**	**-**	**-**	**347,550**	**310,815**	**(79,427)**	**231,388**
Transactions with owners, in the capacity of owners												
Contributions by and distributions to owners												
Dividend paid	-	-	-	-	-	-	(425,202)	-	-	(425,202)	-	(425,202)
Dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,076)	(1,076)
Proposed dividend (Note 29)	-	-	-	-	-	-	340,161	-	(340,161)	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	-	(85,041)	-	(340,161)	(425,202)	(1,076)	(426,278)
Changes in ownership interests												
Subscription of units	-	-	-	-	-	-	-	-	-	-	68,014	68,014
Disposal of controlling interest in a subsidiary (Note 38)	-	-	-	-	-	-	-	-	-	-	12,338	12,338
Acquisition of non-controlling interests (Note 37)	-	-	-	-	-	-	-	-	(36,787)	(36,787)	4,306	(32,481)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(36,787)	(36,787)	84,658	47,871
Total transactions with owners in the capacity of owners	**-**	**-**	**-**	**-**	**-**	**-**	**(85,041)**	**-**	**(376,948)**	**(461,989)**	**83,582**	**(378,407)**
Other movements												
Transfer to reserves	-	-	-	33,626	7,075	-	-	-	(40,701)	-	-	-
Directors' fees paid	-	-	-	-	-	-	-	(10,500)	-	(10,500)	-	(10,500)
Proposed directors' fee (Note 30)	-	-	-	-	-	-	-	10,500	(10,500)	-	-	-
Total other movements	**-**	**-**	**-**	**33,626**	**7,075**	**-**	**-**	**-**	**(51,201)**	**(10,500)**	**-**	**(10,500)**
Balance at 31 December 2020	**4,252,018**	**46**	**25,502**	**1,210,472**	**1,442,729**	**(180,905)**	**340,161**	**10,500**	**4,713,935**	**11,814,458**	**234,128**	**12,048,586**

The notes on pages 17 to 71 are an integral part of these financial statements.

Dubai Investments PJSC and its subsidiaries

Consolidated statement of cash flows

	Note(s)	For the year ended 31 December 2021 AED'000	2020 AED'000
Cash flows from operating activities			
Profit for the year		**612,122**	273,135
Adjustments for:			
Depreciation and amortisation of right of use of asset	10,23	**213,252**	226,361
Amortisation of intangible assets	11	**19,910**	20,474
Gain on disposal of property, plant and equipment	9	**(56)**	(500)
Gain on sale of investments		**(23,697)**	(4,439)
Gain on disposal of a subsidiary	38	**(9,368)**	(14,306)
(Gain)/loss on fair valuation of investment properties	12	**(55,399)**	91,367
Gain on sale of investment properties	12	**-**	(32,192)
Share of (profit)/loss from equity accounted investees	15	**(853)**	32,960
(Gain)/loss on fair valuation of investments	13	**(100,036)**	9,653
Net impairment losses on trade receivables	5	**42,422**	51,949
(Reversal)/provision for write down of inventories to net realisable value	6	**(5,000)**	22,750
Bargain purchase gain	15	**(6,900)**	-
Finance income	8	**(97,563)**	(34,997)
Finance costs	8	**206,786**	285,247
Operating profit before changes in working capital		**795,620**	927,462
Changes in:			
Investments at fair value through profit or loss and OCI		**(53,702)**	(84,671)
Trade receivables, due from related parties and other receivables		**(54,656)**	(313,923)
Inventories		**402,005**	186,823
Trade and other payables		**(139,353)**	(5,841)
Directors' fee paid		**(10,500)**	(10,500)
Net cash generated from operating activities		**939,414**	699,350
Cash flows from investing activities			
Consideration paid for acquisition of non controlling interest		**(267)**	(32,481)
Net cash received on disposal of a subsidiary	38	**65,000**	1,002
Proceeds from sale of investment properties		**-**	34,172
Additions to investment properties	12	**(408,315)**	(372,610)
Acquisition of property, plant and equipment	10	**(150,680)**	(198,438)
Proceeds from disposal of property, plant and equipment		**500**	2,001
Investments in equity accounted investees'	15	**(181,234)**	(2,060)
Return of capital contribution by equity accounted investee	15	**1,000**	-
Movement in short term deposits		**91,566**	(116,734)
Additions to intangible assets	11	**(2,711)**	(1,489)
Net cash used in investing activities		**(585,141)**	(686,637)

Consolidated statement of cash flow (continued)

	Note(s)	For the year ended 31 December 2021 AED'000	2020 AED'000
Cash flows from financing activities			
Proceeds from bank borrowings		**1,820,267**	1,893,352
Repayment of bank borrowings		**(1,697,144)**	(972,478)
Principal elements of lease payments		**(42,736)**	(35,519)
Interest expenses on lease liabilities	8	**(34,558)**	(34,639)
Net movement in non-controlling interests		**(1,005)**	66,938
Dividend paid		**(340,161)**	(425,202)
Finance income received	8	**56,095**	34,997
Finance costs paid	8	**(172,228)**	(219,118)
Net cash (used in)/generated from financing activities		**(411,470)**	308,331
Net (decrease) / increase in cash and cash equivalents		**(57,197)**	321,044
Cash and cash equivalents at 1 January		**566,335**	245,291
Cash and cash equivalents at 31 December		**509,138**	566,335
Cash and cash equivalents comprise the following:			
Cash in hand, current and call account with banks	20	**652,828**	862,240
Short term deposits with banks (excluding those under lien)	20	**60,498**	24,632
Bank overdraft, trust receipt loans and bills discounted	22	**(204,188)**	(320,537)
		509,138	566,335

1 Reporting entity

Dubai Investments PJSC ("the Company") was incorporated in the United Arab Emirates by Ministerial Resolution No. 46 of 1995, on 16 July 1995. The consolidated financial statements for the year ended 31 December 2021 comprise the financial statements of the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interest in associates and joint arrangements.

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

At 31 December 2021 the Company had 15,944 shareholders (2020: 16,325 shareholders).

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

2 Basis of preparation

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRSs") and interpretations issued by the IFRS Interpretations Committee ("IFRS IC") and the requirements of UAE Federal Law No. (2) of 2015, as amended.

On 20 September 2021, the UAE Federal Decree Law No. 32 of 2021 ("Companies Law") was issued and came into effect on 2 January 2022 which repealed the UAE Federal Law No. 2 of 2015. The Company has 12 months from 2 January 2022 to comply with the provisions of the UAE Federal Decree Law No 32 of 2021.

2.2 Basis of measurement

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

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

2.3 Functional and presentation currency

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

2.4 Use of judgments and estimates

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

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

Information about judgments in applying accounting policies, assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the consolidated financial statements is included in Note 39.

2 Basis of preparation (continued)

2.5 Measurement of fair values

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

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

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

Significant valuation issues are reported to the Audit Committee.

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

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

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

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

- Note 12 – Investment properties; and
- Note 13 – Financial investments.

3 Impact of Covid - 19

The Group has assessed the impact of COVID-19 on its businesses and its reflection on its consolidated financial position and performance. This assessment involved significant judgements, estimates and assumptions that were subject to a lesser degree of certainty as compared to those made in years prior to the advent of COVID-19.

The nature and reliability of information available to independent registered valuers and management to support the fair value accounting estimates for investment properties vary widely, thereby affecting the associated degree of estimation uncertainty.

4 Standards issued

(a) New accounting standards, amendments and interpretations – effective for the financial year beginning 1 January 2021 adopted by the Group.

Interest rate benchmark ("IBOR") reform – phase 2 amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The Phase 2 amendments address issues that arise from the implementation of the reforms, including the replacement of one benchmark with an alternative one.

As of 31 December 2021, applicable interest rate benchmarks in the Group's agreements have not been replaced. As a result, the adoption of the Phase 2 amendments had no impact on the consolidated financial statements for the year ended 31 December 2021. Management will continue to monitor relevant developments and will evaluate the impact of the Phase 2 amendments on the consolidated financial statements as IBOR reform progresses.

(b) New standards, amendments and interpretations – not effective for the financial year beginning 1 January 2021 and not early adopted by the Group

Certain new and amended accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

5 Financial risk management

Overview

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

- credit risk
- liquidity risk
- market risk

Risk management framework

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

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

5 Financial risk management (continued)

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade receivables, due from related parties and other receivables, retention receivables, short-term deposits with banks and cash and cash equivalents.

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

	2021	2020
	AED'000	AED'000
Trade receivables (net) (Note 18)	**2,098,302**	2,047,596
Cash and cash equivalents (excluding cash in hand) (Note 20)	**711,230**	885,383
Due from related parties and other receivables	**549,274**	567,342
Investments in bonds and structured funds	**344,551**	447,636
Short-term deposits with banks (Note 20)	**116,092**	207,658
Rent receivable (Note 16)	**53,771**	53,262
	3,873,220	4,208,877

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

	2021	2020
	AED'000	AED'000
Domestic	**1,941,924**	1,886,123
Other GCC countries	**64,048**	76,502
Other regions	**92,330**	84,971
	2,098,302	2,047,596

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

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

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

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

5 Financial risk management (continued)

Credit risk (continued)

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

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

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

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

Overall, the Group has a diversified customer base with no significant concentration of credit risk within trade receivables at 31 December 2021 and 2020 except for one customer that accounts for 27% (2020: 22%) of the gross trade receivables.

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

	2021	2020
	AED'000	AED'000
As at 1 January	**223,767**	171,818
Impairment loss recognized	**42,422**	51,949
Write off during the period	**(5,807)**	-
As at 31 December	**260,382**	223,767

Further, an impairment provision of AED 12.7 million is recognised on other receivables at 31 December 2021 (2020: AED 5.50 million).

5 Financial risk management (continued)

Credit risk (continued)

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

The impairment provision as at 31 December 2021 was determined for the trade receivables within the real estate business, as follows, based on management assessment of default period being 180 days from the date the counter party fails to make contractual payment:

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2021				
Expected loss rate	**1%**	**10%**	**17%**	
Gross carrying amount – trade receivables	**974,094**	**143,755**	**509,187**	**1,627,036**
Loss allowance	**10,024**	**14,179**	**84,770**	**108,973**

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2020				
Expected loss rate	1%	7%	14%	
Gross carrying amount – trade receivables	804,451	194,748	446,816	1,446,015
Loss allowance	7,566	13,400	61,453	82,419

In addition to the above loss allowance, the Group has recognised specific impairment provision of AED 10.6 million (2020: AED 19.0 million).

The impairment provision as at 31 December 2021 was determined for the trade receivables within the manufacturing and services business, as follows, based on management assessment of default period being 90 days from the date the counter party fails to make contractual payment:

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2021				
Expected loss rate	**4%**	**6%**	**38%**	
Gross carrying amount – trade receivables	**360,758**	**106,167**	**171,839**	**638,764**
Loss allowance	**15,127**	**6,662**	**64,650**	**86,439**

5 Financial risk management (continued)

Credit risk (continued)

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

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2020				
Expected loss rate	2%	8%	17%	
Gross carrying amount – trade receivables	319,698	168,919	245,898	734,515
Loss allowance	6,260	13,017	40,679	59,956

In addition to the above loss allowance, the Group has recognised specific impairment provision of AED 11.00 million (2020: AED 20.89 million).

The impairment provision as at 31 December 2021 was determined for the trade receivables within the contracting business, as follows, based on management assessment of default period being 365 days from the date the counter party fails to make contractual payment, which is based on the customary business practice in the contracting business:

AED' 000	**Current**	**More than 180 days overdue**	**More than 365 days overdue**	**Total**
31 December 2021				
Expected loss rate	**5%**	**10%**	**69%**	
Gross carrying amount – trade receivables	**35,395**	**3,605**	**53,884**	**92,884**
Loss allowance	**1,793**	**345**	**37,032**	**39,170**

AED' 000	**Current**	**More than 180 days overdue**	**More than 365 days overdue**	**Total**
31 December 2020				
Expected loss rate	5%	8%	69%	
Gross carrying amount – trade receivables	28,543	12,001	50,239	90,783
Loss allowance	1,345	1,019	34,887	37,251

In addition to the above loss allowance, the Group has recognised specific impairment provision of AED 4.2 million (2020: AED 4.2 million).

5 Financial risk management (continued)

Credit risk (continued)

(b) Investments in bonds and structured funds

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

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

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

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

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

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

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

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

5 Financial risk management (continued)

Liquidity risk

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

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

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

	Carrying amount AED'000	Contractual cash flows AED'000	Within 1 year AED'000	1-2 years AED'000	2-3 years AED'000	More than 3 years AED'000
31 December 2021						
Non-derivative financial liabilities						
Loans and borrowings	**6,960,776**	**(7,542,297)**	**(2,309,356)**	**(930,299)**	**(1,139,329)**	**(3,163,313)**
Lease liabilities	**421,504**	**(639,901)**	**(72,171)**	**(55,696)**	**(55,686)**	**(456,348)**
Trade and other payables	**1,498,497**	**(1,498,497)**	**(1,498,497)**	**-**	**-**	**-**
Other long-term liabilities	**228,954**	**(318,815)**	**(7,527)**	**(43,796)**	**(21,798)**	**(245,694)**
	9,109,731	**(9,999,510)**	**(3,887,551)**	**(1,029,791)**	**(1,216,813)**	**(3,865,355)**
31 December 2020						
Non-derivative financial liabilities						
Loans and borrowings	6,954,002	(7,569,681)	(2,186,734)	(1,542,773)	(751,540)	(3,088,634)
Lease liabilities	480,438	(716,338)	(44,961)	(62,219)	(63,643)	(545,515)
Trade and other payables	1,616,561	(1,616,561)	(1,616,561)	-	-	-
Other long term liabilities	155,675	(238,190)	(2,303)	(55,684)	(16,600)	(163,603)
	9,206,676	(10,140,770)	(3,850,559)	(1,660,676)	(831,783)	(3,797,752)

5 Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group uses derivatives in order to manage market risks, however, the Group does not apply hedge accounting.

(a) Currency risk

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

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

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

	2021	2020
	Euro'000	Euro'000
Trade and other receivables	**2,913**	2,913
Investments	**65,985**	41,918
Cash at bank	**5**	5
Trade and other payables	**(714)**	(3,165)
Loans and borrowings	**(60,926)**	(39,907)
Gross and net exposure	**7,263**	1,764

The following exchange rates were applied during the year:

	Average rate		**Spot rate**	
	2021	2020	**2021**	2020
	AED	AED	**AED**	AED
Euro	**4.34**	4.32	4.16	4.52

Sensitivity analysis

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

(b) Interest rate risk

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

5 Financial risk management (continued)

Market risk (continued)

(b) Interest rate risk (continued)

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

The Group hedged its exposure to certain floating rate long term loans by entering into structured interest rate swaps with banks. At 31 December 2021 the Group held outstanding interest rate swap contracts with notional amounts of AED 900 million. The swaps mature in the year 2026.

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

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

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

	2021 AED'000	2020 AED'000
Fixed rate instruments		
Financial assets	**574,157**	673,196
Financial liabilities	**(421,504)**	(480,438)
Variable rate instruments		
Financial assets	**80,620**	147,860
Financial liabilities	**(6,960,776)**	(6,954,002)

Fair value sensitivity analysis for fixed rate instruments

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

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

Cash flow sensitivity analysis for variable rate instruments

A change of 100 bps in interest rates at the reporting date would have increased/ (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2020.

	Profit or Loss	
Effect in AED'000	**100 bps increase**	**100 bps Decrease**
31 December 2021	**(68,802)**	**68,802**
31 December 2020	(68,061)	68,061

5 Financial risk management (continued)

Market risk (continued)

(c) Price risk

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

Fair value of financial assets and liabilities measured at amortised costs

The fair value of financial assets and liabilities measured at amortised costs approximate its carrying value at 31 December 2021 and 31 December 2020.

Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which is defined as profit for the year attributable to equity holders of the Company divided by total shareholders' equity. The Board of Directors also monitors the level of dividend to ordinary shareholders.

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

	2021	2020
	AED'000	AED'000
Cash and cash equivalents (Note 20)	**713,326**	886,872
Short-term deposits with banks (Note 20)	**116,092**	207,658
Liquid investments*	**1,199,912**	1,160,336
	2,029,330	2,254,866
Short term borrowings (Note 22)	**(2,118,342)**	(2,009,951)
Long term borrowings (Note 21)	**(4,842,434)**	(4,944,051)
Net debt	**(4,931,446)**	(4,699,136)

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

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

6 Cost of sales

	2021 AED'000	2020 AED'000
These mainly include:		
Materials consumed	**957,467**	838,083
Cost of properties sold	**506,509**	276,218
Depreciation and amortisation	**200,921**	200,458
Staff costs	**129,682**	137,354
Factory overheads	**135,136**	137,177
Government of Dubai's share of the realised profits of a subsidiary (Note 12)	**111,865**	111,157
Infrastructure and development works cost sharing with Roads and Transport Authority ("RTA") (Note 32)	**29,077**	29,077
(Reversal)/provision for write down of inventories to net realisable value (Note 17)	**(5,000)**	22,750

7 Administrative expenses

	2021 AED'000	2020 AED'000
These mainly include:		
Staff costs	**264,382**	245,415
Selling and marketing expenses	**56,380**	60,147
Depreciation and amortisation	**32,242**	46,377

Selling and marketing expenses include an amount of AED 1.74 million (2020: AED 1.45 million) incurred towards charity and social contributions.

8 Finance costs and income

	2021 AED'000	2020 AED'000
Interest income	**24,434**	29,261
Unwinding of discount on financial assets measured at amortised cost	**31,661**	5,736
Net change in fair value of derivative financial instruments	**41,468**	-
Finance income	**97,563**	34,997
Interest costs	**(178,941)**	(200,653)
Net change in fair value of derivative financial instruments	**-**	(31,490)
Unwinding of discount on financial liabilities measured at amortised cost	**-**	(4,419)
Interest expenses on lease liabilities	**(34,558)**	(34,639)
Bank charges	**(7,307)**	(8,870)
Foreign exchange gain/(loss) - net	**14,020**	(5,176)
Finance costs	**(206,786)**	(285,247)

9 Other income

	2021	2020
	AED'000	AED'000
These mainly include:		
Compensation agreed and forfeiture of advance rent upon cancellation of leases	**-**	64,000
Income from leased operations	**13,841**	36,918
Liabilities no longer required written back	**12,439**	-
Sale of scrap	**4,014**	5,303
Management fee	**3,951**	3,655
Gain on disposal of property, plant and equipment	**56**	500
Advertisement income	**228**	36

10 Property, plant and equipment

	Land AED'000	Buildings AED'000	Plant and equipment AED'000	Office equipment and furniture AED'000	Motor vehicles AED'000	Capital work-in-progress AED'000	Total AED'000
Cost							
At 1 January 2020	212,915	1,167,675	3,147,599	128,022	23,082	931,884	5,611,177
Additions (refer (i) below)	2,414	845	12,881	3,566	757	177,975	198,438
Disposals and write-offs	-	(1,027)	(4,762)	(1,072)	(682)	(627)	(8,170)
On disposal of a subsidiary	-	-	-	(188)	-	-	(188)
Transfers	-	5,219	314,985	741	-	(320,945)	-
Transferred from investment properties (refer (ii) below)	-	-	-	-	-	207,140	207,140
Transferred to inventories	(15,305)	-	-	-	-	-	(15,305)
At 31 December 2020	200,024	1,172,712	3,470,703	131,069	23,157	995,427	5,993,092
Additions (refer (i) below)	**12,400**	**961**	**13,136**	**3,915**	**489**	**119,779**	**150,680**
Disposals and write-offs	**-**	**-**	**(3,852)**	**(15,203)**	**(718)**	-	**(19,773)**
On disposal of a subsidiary (Note 38)	**-**	**(31,034)**	**(241,377)**	**(994)**	**(50)**	-	**(273,455)**
Transfers	**-**	**510**	**414,914**	**1,778**	-	**(417,202)**	**-**
Transferred to intangible assets (refer (iv) below)	**-**	**-**	**(201,114)**	**-**	**-**	**-**	**(201,114)**
At 31 December 2021	**212,424**	**1,143,149**	**3,452,410**	**120,565**	**22,878**	**698,004**	**5,649,430**
Accumulated depreciation and impairment losses							
At 1 January 2020	-	459,846	1,257,255	111,133	20,152	10,708	1,859,094
Charge for the year	-	41,273	129,048	9,178	1,674	-	181,173
On disposals and write-offs	-	(560)	(4,514)	(1,006)	(589)	-	(6,669)
On disposal of a subsidiary	-	-	-	(127)	-	-	(127)
At 31 December 2020	-	500,559	1,381,789	119,178	21,237	10,708	2,033,471
Charge for the year	**-**	**36,455**	**126,335**	**7,698**	**1,477**	-	**171,965**
On disposals and write-offs	**-**	**-**	**(3,461)**	**(15,172)**	**(696)**	-	**(19,329)**
On disposal of a subsidiary (Note 38)	**-**	**(25,165)**	**(191,614)**	**(994)**	**(50)**	-	**(217,823)**
Transferred to intangible assets (refer (iv) below)	**-**	**-**	**(9,158)**	**-**	**-**	**-**	**(9,158)**
At 31 December 2021	**-**	**511,849**	**1,303,891**	**110,710**	**21,968**	**10,708**	**1,959,126**
Net book value							
At 31 December 2020	200,024	672,153	2,088,914	11,891	1,920	984,719	3,959,621
At 31 December 2021	**212,424**	**631,300**	**2,148,519**	**9,855**	**910**	**687,296**	**3,690,304**

10 Property, plant and equipment (continued)

(i) Additions to capital work-in-progress represents costs incurred by the subsidiaries for construction of hotels, district cooling plants and expansion of their manufacturing facilities. Total interest capitalized during the year was AED 11.9 million (2020: AED 21.8 million). The average rate used to capitalise interest was 3.45% (2020: 3.73%).

Included in capital work-in-progress at 31 December 2021 is an amount of AED 53.4 million (2020: AED 53.4 million) for which a subsidiary has decided to temporarily put the expansion of a manufacturing facility on hold. Based on a review of the carrying values, an impairment loss of AED 10.7 million was recorded for this capital work-in-progress in previous years.

(ii) Based on a change in use, the Group reclassified an amount of AED 207 million from investment properties to property, plant and equipment during 2020.

(iii) Buildings and plant and machinery with a net book value of AED 2,640 million (2020: AED 2,796 million) are mortgaged as security against term loans obtained from banks. In certain instances, the insurance over buildings and plant and machinery is also assigned in favor of the banks against facilities availed.

(iv) The Group had classified certain concession rights as property, plant and equipment. During 2021, the Group has reassessed classification of these rights based on the terms of underlying concession agreement and found it appropriate to classify these separately as concession rights, accordingly these have been classified under intangible assets (Note 11).

11 Goodwill and intangible assets

	Goodwill AED'000	Product registration certificates, licenses, patent and trademark AED'000	Customer contracts AED'000	Concession rights AED'000	Other intangible assets AED'000	Total AED'000
Cost						
As at 1 January 2020	124,085	230,524	233,272	-	18,894	606,775
Additions during the year	-	284	-	-	1,205	1,489
As at 31 December 2020	124,085	230,808	233,272	-	20,099	608,264
Additions during the year	-	18	-	-	2,693	2,711
Transferred from property, plant and equipment (Note 10)	-	-	-	201,114	-	201,114
As at 31 December 2021	**124,085**	**230,826**	**233,272**	**201,114**	**22,792**	**812,089**
Accumulated amortization and impairment losses						
As at 1 January 2020	29,659	29,153	11,962	-	15,571	86,345
Amortisation	-	14,016	5,981	-	477	20,474
As at 31 December 2020	29,659	43,169	17,943	-	16,048	106,819
Amortisation	-	12,234	5,981	-	1,695	19,910
Transferred from property, plant and equipment (Note 10)	-	-	-	9,158	-	9,158
As at 31 December 2021	**29,659**	**55,403**	**23,924**	**9,158**	**17,743**	**135,887**
Carrying amount						
31 December 2020	94,426	187,639	215,329	-	4,051	501,445
31 December 2021	**94,426**	**175,423**	**209,348**	**191,956**	**5,049**	**676,202**

11 Goodwill and intangible assets (continued)

Goodwill

The Group tests goodwill for impairment using value-in-use calculations on an annual basis. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with the industry forecasts in which each Cash Generated Units ("CGU") operates. The goodwill mainly relates to manufacturing and service operations of the Group.

Product registration certificates, licenses, patent and trademark

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

Customer contracts

Customer contracts represents the value of rights that arise from contractual agreements. These represents long term contracts spanning over a period of 20 years with individual and corporate customers with a renewal option available. The customer contracts are being amortised over the life of associated infrastructure which is approximately 39 years.

Concession rights

Concession rights arising from a service concession arrangement represents the right received as consideration for providing construction or upgrade services in a service concession arrangement. The Group amortises its concession rights over a period of 25 years which is the period for which the Group is able to charge the public for the use of the infrastructure.

12 Investment properties

	2021 **AED'000**	2020 AED'000
At 1 January	**8,489,201**	8,705,078
Additions	**408,315**	372,610
Transferred to property, plant and equipment (Note 10)	**-**	(207,140)
Transferred from right of use of assets (Note 23)	**14,714**	-
Transferred from inventories	**10,000**	-
Sale of investment properties	**-**	(289,980)
Gain/(loss) on fair valuation	**55,399**	(91,367)
At 31 December	**8,977,629**	8,489,201

- Additions during the year mainly include acquisition of school campuses in Ajman, UAE which have been leased back to the operator on a triple net basis for 15 years.

- Further, during the year ended 31 December 2021, the Group acquired the right of use of assets for two vacant plots of land of 1,000 hectares each in the Republic of Angola for a period of 60 years. This lease interest has been classified as an investment property as the Group intends to develop infrastructure to be leased to third parties. The Group is currently in the process of conducting feasibility studies and developing a master plan for these plots of land which will assist in assessing the fair value of the leased interest.

- During 2020, based on a change in use, the Group reclassified land and buildings under construction from investment properties to property, plant and equipment (Note 10).

12 Investment properties (continued)

Investment properties comprises the following:	**2021** **AED'000**	2020 AED'000
Infrastructure and ancillary facilities	**5,255,628**	5,158,514
Plots of land for future development and under development	**1,466,984**	1,406,416
Retail and commercial facilities	**987,287**	660,604
Residential units	**693,264**	691,167
Labor camps and warehouses	**574,466**	572,500
	8,977,629	8,489,201

(a) Infrastructure and ancillary facilities:

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

As at 31 December 2021, the Group has obtained fair values of all phases, and the valuations were carried out using the income valuation approach, after taking into consideration the cash outflows resulting from the estimated 20% share of the net realised profits due to the Government of Dubai. The fair valuation gain of AED 55 million (2020: fair valuation gain of AED 165.9 million) has arisen due to changes in the contractual and expected net cash flows based on the terms of the lease contracts with tenants.

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

	2021 **AED'000**	2020 AED'000
Fair valuation of completed phases and ancillary facilities as per independent registered valuation reports	**4,995,534**	4,905,986
Less: adjustment for rent receivable for completed phases	**(53,771)**	(53,262)
Add: adjustment for unearned rent for completed phases (Note 24)*	**202,000**	194,633
Add: adjustment for recognised liabilities (included in cost of sales (Note 6))	**111,865**	111,157
	5,255,628	5,158,514

* Unearned rent represents lease rentals billed in advance.

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

12 Investment properties (continued)

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

These comprise of*:*

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

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

As at 31 December 2021, the fair valuation of the plots of land has been carried out using the sales comparison approach, as appropriate, resulting in a net fair valuation gain of AED 24 million (2020: net fair valuation loss of AED 12.6 million).

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

Plots of land for future development and under development amounting to AED 112.6 million (2020: AED 111.09 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

(c) Residential units.

The residential units have been valued using the sales comparison, income capitalisation approach or income valuation approach, as appropriate, resulting in a net fair valuation gain of AED 1.8 million (2020: fair valuation loss of AED 91.9 million).

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

Residential properties amounting to AED 83.3 million (2020: AED 53 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

(d) Retail and commercial facilities:

These comprise of*:*

(i) A mixed-use building which has been leased on operating leases;

(ii) A mixed-use building constructed on a plot of land granted by the Government of Fujairah, which is under construction; and

(iii) Other retail and commercial facilities on operating leases.

The retail and commercial facilities have been valued using the sales comparison, income capitalisation approach or income valuation approach, as appropriate, resulting in a net fair valuation loss of AED 10.9 million (2020: fair valuation loss of AED 80.4 million).

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

The retail and commercial facilities amounting to AED 284.63 million (2020: AED 252.51 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

12 Investment properties (continued)

(e) Labor camps and warehouses:

The fair valuation of labor camps and warehouses at the reporting date has been determined by using an income capitalisation approach resulting in a net fair valuation loss of AED 14.5 million (2020: fair valuation loss of AED 72.4 million).

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

External valuation reports for labor camps include a material valuation uncertainty statement as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, in respect of these valuations less certainty – and a higher degree of caution – should be attached to the valuation than would normally be the case. This statement does not mean that the valuation(s) cannot be relied upon, rather, this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared.

The labor camps and warehouses amounting to AED 433.65 million (2020: AED 417.70 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

Valuation processes

The Group's investment properties were valued at 31 December 2021 by independent registered valuers in accordance with the RICS Valuation – Global Standards issued by the Royal Institute of Chartered Surveyors taking into account requirements of IFRS 13 'Fair value measurements'. For all investment properties, their current use equates to the highest and best use. Management review the valuations performed by the independent registered valuers for financial reporting purposes which among other things include:

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

Valuation techniques underlying management's estimation of fair value

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

The valuation basis and assumptions used for valuation of investments properties remains largely consistent with the methodology adopted as at 31 December 2020.

12 Investment properties (continued)

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

Significant unobservable inputs:

(a) Infrastructure and ancillary facilities:

Future contractual rental cash inflows	based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 406 million higher/lower respectively (2020: AED 401 million higher/lower respectively), with all other variables remaining constant.
Discount rate	reflecting current market assessments of the uncertainty in the amount and timing of cash flows. If discount rate was 1% higher/lower, the valuation would have been AED 560 million lower or AED 735 million higher respectively (2020: AED 540 million lower or AED 709 million higher respectively), with all other variables remaining constant.
Outgoing expenses	including necessary maintenance and other expenses to maintain functionality of the properties for their expected useful life. If maintenance and operating costs were 10% higher/lower, the valuation would have been AED 103 million lower/higher respectively (2020: AED 101 million lower/higher respectively), with all other variables remaining constant.

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

Market sales rates	based on the estimated selling price of comparable properties and taking into account the market data at the date of valuation. If the market sales rate were 10% higher/lower the valuation would have been AED 143 million higher/lower respectively (2020: AED 141 million higher/lower respectively), with all other variables remaining constant.

(c) Residential units

Market sales rates	based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 40 million higher/lower respectively (2020: AED 40 million higher/lower respectively), with all other variables remaining constant.

12 Investment properties (continued)

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

Significant unobservable inputs: (continued)

(d) Retail and commercial facilities

Future market rental cash inflows	based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 47 million higher/AED 45 million lower respectively (2020: AED 66 million higher/AED 65 million lower respectively), with all other variables remaining constant.
Capitalisation yield rates	based on the actual location, size and quality of the properties and taking into account market data at the valuation date. If capitalisation yield rates were 1% higher/lower, the valuation would have been AED 81 million lower/AED 98 million higher respectively (2020: AED 61 million lower/AED 78 million higher respectively), with all other variables remaining constant.

(e) Labor camps and warehouses

Future market rental cash inflows	based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 52 million higher/lower respectively (2020: AED 55 million higher/lower respectively), with all other variables remaining constant.
Capitalisation yield rates	based on the actual location, size and quality of the properties and taking into account market data at the valuation date. If capitalisation yield rates were 1% higher/lower, the valuation would have been AED 33 million lower /AED 35 million higher respectively (2020: AED 27 million lower/AED 32 million higher respectively), with all other variables remaining constant.

12 Investment properties (continued)

Fair value hierarchy

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

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

	2021 AED'000	2020 AED'000
At 1 January	**8,489,201**	8,705,078
Additions	**408,315**	372,610
Transferred to property, plant and equipment	**-**	(207,140)
Transferred from right of use of assets	**14,714**	-
Transferred from inventories	**10,000**	-
Sale of investment properties	**-**	(289,980)
Changes in fair value (unrealised)	**55,399**	(91,367)
At 31 December	**8,977,629**	8,489,201

13 Financial investments

	2021 AED'000	2020 AED'000
(i) Investments at fair value through other comprehensive income - Note 13 (a)		
Equity securities	**62,768**	78,904

	2021 AED'000	2020 AED'000
(ii) Investments at fair value through profit or loss - Note 13 (b)		
Held for trading quoted equity securities and funds	**246,548**	271,559
Funds, bonds, sukuks and unquoted equity securities	**1,415,004**	1,248,474
	1,661,552	1,520,033
Geographical distribution of investments:		
UAE	**629,739**	697,348
Other GCC countries	**253,647**	216,198
Other countries	**840,934**	685,391
(i)+(ii)	**1,724,320**	1,598,937

Investments in funds, bonds, sukuks and unquoted equity securities with a fair value of AED 434 million (2020: AED 513 million) are pledged in favor of banks against borrowings availed (Note 22).

Sensitivity analysis – equity price risk

The Group's investments in quoted equity securities are listed on various MENA stock exchanges. For such investments classified as fair value through profit or loss, a 10 % increase/(decrease) in the equity prices at the reporting date would have increased/(decreased) profit by AED 50.29 million (2020: AED 64.7 million).

13 Financial investments (continued)

(a) Investments at fair value through other comprehensive income

These mainly include 5% shareholding in SAYACORP B.S.C.(c), (formerly First Energy Bank B.S.C.) which is a Sharia'a compliant bank based in the Kingdom of Bahrain focused on investment, financing and service needs of the energy sector.

(b) Investments at fair value through profit or loss

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

The Group has invested AED 344.5 million (2020: AED 447.6 million) in diversified fixed income bonds portfolio and AED 326.3 million (2020: AED 244.5 million) in managed equity funds by utilising a related leverage facility of AED 292 million (2020: AED 324 million). Most of these bonds have counterparty credit rating of investment grade and the portfolio has an average maturity of 3 years.

(c) Measurement of fair values

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

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

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

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

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

The Group has reviewed the fair value of investments classified as fair value through profit or loss and accordingly, a gain of AED 100.04 million has been recorded in profit or loss during the current year (2020: loss of AED 9.65 million).

The Group has reviewed the fair value of investments in unquoted equity securities classified as fair value through other comprehensive income and accordingly, loss on fair value of AED 12.46 million has been recorded during the current year in other comprehensive income (2020: loss of AED 41.75 million).

13 Financial investments (continued)

(c) Measurement of fair values (continued)

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

31 December 2021	**Level 1 AED'000**	**Level 2 AED'000**	**Level 3 AED'000**	**Total AED'000**
Financial assets at fair value through profit or loss	**227,245**	**972,144**	**462,163**	**1,661,552**
Financial assets at fair value through other comprehensive income	**523**	**-**	**62,245**	**62,768**
	227,768	**972,144**	**524,408**	**1,724,320**

31 December 2020	**Level 1 AED'000**	**Level 2 AED'000**	**Level 3 AED'000**	**Total AED'000**
Financial assets at fair value through profit or loss	243,038	916,689	360,306	1,520,033
Financial assets at fair value through other comprehensive income	609	-	78,295	78,904
	243,647	916,689	438,601	1,598,937

Reconciliation of Level 3 fair values measurements of investments

	2021 AED'000	2020 AED'000
As at 1 January	**438,601**	523,617
Additions during the year	**242,557**	38,805
Redeemed/ sold during the year	**(164,239)**	(40,326)
Transfer (out) of level 3	**(2,424)**	(7,468)
Loss recorded in OCI		
- Net change in fair value (unrealised)	**(12,375)**	(41,747)
Gain/(loss) recorded in profit or loss		
- Net change in fair value (unrealised)	**22,288**	(34,280)
As at 31 December	**524,408**	438,601

Sensitivity analysis

For investments classified as Level 3, a 10% increase/(decrease) in the NAV value at the reporting date would have increased/(decreased) profit by AED 46.2 million (2020: AED 36.0 million).

14 Other financial assets at fair value through profit or loss

	2021 AED'000	2020 AED'000
Other financial assets at fair value through profit or loss	**45,769**	56,638

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

15 Investment in equity accounted investees'

	2021 AED'000	2020 AED'000
Investment in joint ventures (refer (i) below)	**18,575**	18,991
Investment in associates (refer (ii) below)	**307,537**	79,545
Total investment in equity accounted investees	**326,112**	98,536

(i) Joint ventures

The following are the investments in joint ventures held by the Group as at 31 December 2021:

QDI Sport Management Company LLC ("QDI")

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

Palisades Development Company LLC

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

The following table summarises the financial information of joint ventures as included in their own financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in joint ventures.

	2021 AED'000	2020 AED'000
Non-current assets	**3,112**	5,125
Current assets	**24,396**	39,744
Non-current liabilities	**(5,543)**	(16,305)
Current liabilities	**(7,512)**	(13,278)
Net assets (100%)	**14,453**	15,286
Group's share of net assets	**7,226**	7,642
Goodwill	**11,349**	11,349
Carrying amount of interest in joint ventures	**18,575**	18,991
Income	**39,292**	62,658
Expenses	**(38,130)**	(60,768)
Profit for the year (100%)	**1,162**	1,890
Group's share of profit	**581**	945
Group's share of other comprehensive income	**-**	-
Group's share of total comprehensive income	**581**	945
Dividends received by the Group	**-**	-

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

15 Investment in equity accounted investees' (continued)

(ii) Associates

The Group's associates comprise includes the following entities

	2021 Ownership %	2020 Ownership %
Associate		
National General Insurance PJSC ("NGI") (refer (b) below)	**45.18**	-
Emirates Insolaire LLC	**49**	49
Emirates Aluminium Rolling ("Emiroll") LLC	**30**	30
KCH Healthcare LLC	**26.75**	26.75
Clemenceau Medical Center FZ ("CMC Dubai")	**20**	20
Africa Crest Education ("ACE")	**37**	37
Mojavi 4 Limited (refer (a) below)	**40**	40
Mojavi 9 Limited (refer (a) below)	**55**	55
Mojavi 10 Limited (refer (a) below)	**36**	36
Mojavi 20 Limited (refer (a) below)	**20**	20

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

b) On 22 April 2021, the Group acquired an additional 21.53% interest in NGI in addition to its existing shareholding of 8.46%. Furthermore, on 14 July 2021, the Group acquired an additional 15.19% equity interest in NGI. Upon acquisition of these additional interests, the Group's interest in NGI has increased to 45.18% making it the largest shareholder of NGI. Accordingly, investment in NGI has been accounted as an associate of the Group under 'investments in equity accounted investees'.

Further, in January 2022, the Group acquired an additional 3.16% equity interest in NGI. Upon acquisition of the additional interest, the Group's interest in NGI has increased to 48.34%. The Group considers this acquisition to be a non-adjusting post reporting date subsequent event and this transaction will be accounted for during the three-month period ended 31 March 2022.

NGI is listed on the Dubai Financial Market and underwrites all classes of life and general insurance business as well as certain reinsurance business.

The following table summarises the amounts recognised as part of these transactions:

	AED'000
Fair value of identifiable net assets – (A)	221,097
Purchase consideration	171,798
Fair value of previously held interest	39,589
Total consideration	**211,387**
Add: Transaction costs	2,810
Total consideration including transaction costs – (B)	**214,197**
Bargain purchase gain – (A) - (B)	**6,900**
Gain on fair valuation of previously held interest in NGI	
Fair value of existing interest in NGI	39,589
Less: carrying amount of interest in NGI	(27,281)
Gain on fair valuation of existing interest prior to acquisition of an additional stake included under gain on fair valuation of investments	**12,308**

15 **Investment in equity accounted investees'** (continued)

(ii) **Associates** (continued)

b) The fair value of the above identifiable net assets was determined provisionally. if new information is obtained within one year of the date of acquisition of additional stake about the facts and circumstances that existed at that date which requires adjustments to the recognised amounts of identifiable assets and liabilities, the accounting for acquisition will be revised accordingly.

The summarised financial information for NGI is set out as follows. The tables below also reconciles the summarised financial information to the carrying amount of the Group's interest in associates as at 31 December 2021.

	2021 AED'000
Total assets	**1,504,462**
Total liabilities	**(971,387)**
Net assets (100%)	**533,075**
Group's share of net assets	**240,843**
Carrying amount of interest in associates	**240,843**
Income	**884,747**
Expenses	**(813,962)**
Profit for the year (100%)	**70,785**
Group's share of profit	**20,315**
Group's share of other comprehensive income	**-**
Group's share of total comprehensive income	**20,315**

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

	2021 AED'000	2020 AED'000
Total assets	**1,418,888**	1,456,628
Total liabilities	**(1,211,688)**	(1,150,667)
Net assets (100%)	**207,200**	305,961
Group's share of net assets	**66,694**	79,544
Carrying amount of interest in associates	**66,694**	79,544
Income	**131,526**	26,062
Expenses	**(254,871)**	(177,947)
Loss for the year (100%)	**(123,345)**	(151,885)
Group's share of loss	**(20,043)**	(33,905)
Group's share of other comprehensive income	**-**	-
Group's share of total comprehensive income	**(20,043)**	(33,905)

15 Investment in equity accounted investees' (continued)

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

	2021 **AED'000**	2020 AED'000
At 1 January	**98,536**	129,436
Investments made during the year	**181,234**	2,060
Transfer from investments at fair value through profit or loss	**39,589**	-
Bargain purchase gain on acquisition	**6,900**	-
Return of capital contribution	**(1,000)**	-
Group's share of profit/(loss) for the year	**853**	(32,960)
At 31 December	**326,112**	98,536

There are no further commitments or contingent liabilities relating to Group's interest in the equity accounted investees.

16 Rent receivable

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

17 Inventories

	2021 **AED'000**	2020 AED'000
Raw materials, work-in-progress and spares (net of provision for old and slow moving inventories)	**203,447**	176,683
Finished goods	**58,328**	70,975
Goods in transit	**946**	1,244
Properties held for development and sale (net of provision for write down to net realisable value)	**2,076,432**	2,497,256
	2,339,153	2,746,158
Less: properties held for development and sale (net of provision for write down to net realisable value) classified as non-current	**(243,305)**	(251,719)
	2,095,848	2,494,439
Inventories carried at net realisable value	**314,413**	696,644

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

Net realisable values for properties held for development and sale have either been estimated by independent registered valuers in accordance with the RICS Valuation – Global Standards issued by the Royal Institute of Chartered Surveyors using a combination of valuation techniques including the sales comparison approach and income capitalisation approach. Based on these valuations, a reversal of provision for write down to net realisable value of AED 5 million has been recognised during the current year (2020: provision for written down to net realisable value of AED 22.8 million). Net realisable value estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore, cannot be determined with precision (Note 39(b)).

17 **Inventories** (continued)

As at 31 December 2021, the Group is carrying a provision of AED 65.7 million (2020: AED 138.1 million).

Inventories amounting to AED 914 million (2020: AED 1,294 million) are mortgaged against facilities obtained from banks. In certain instances, the insurance over inventories is also assigned in favor of banks.

18 Trade receivables

Gross trade receivables amount to AED 2,358.68 million (2020: AED 2,271.36 million) while provision for doubtful debts amounts to AED 260.38 million (2020: AED 223.77 million). Trade receivables that are expected to be realised after twelve months from the reporting date have been classified as non-current.

Trade receivables amounting to AED 628.73 million are assigned against the facilities availed from the banks as at 31 December 2021 (2020: AED 207.09 million).

19 Due from related parties and other receivables

	2021 AED'000	2020 AED'000
Non – current		
Capital advance	**5,377**	5,194
Other receivables	**10,412**	17,102
	15,789	22,296
Current		
Receivable from customers for use of margin facilities	**82,851**	84,431
Due from related parties	**59,412**	47,994
Due from customers for contract work (refer (ii) below)	**66,512**	63,593
Retention receivables	**23,712**	48,591
Advances paid to suppliers	**24,271**	33,652
Prepayments	**40,783**	41,629
Margin and refundable deposit	**34,306**	34,640
Others	**272,069**	270,253
Current portion of net investment in finance leases	**-**	738
	603,916	625,521

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

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

	2021 AED'000	2020 AED'000
Balance at the beginning of the year	**63,593**	64,506
Additions during the year	**226,575**	197,233
Progress billings	**(224,016)**	(198,146)
Balance at the ending of the year	**66,152**	63,593

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

	2021 AED'000	2020 AED'000
Short term deposits		
Short term deposits with banks having maturity of more than 3 months	**30,112**	50,472
Short term deposits within UAE under lien with banks	**85,980**	157,186
	116,092	207,658
Cash and cash equivalents		
Cash in hand	**2,096**	1,489
Cash at bank within UAE (current accounts)	**613,605**	846,716
Cash at bank outside UAE – GCC Countries (current accounts)	**2,144**	2,662
Cash at bank outside UAE – Other countries (current accounts)	**34,983**	11,373
Short term deposits within UAE having original maturity of less than 3 months	**60,498**	24,632
Total cash and cash equivalents	**713,326**	886,872

21 Long-term bank borrowings

	2021 AED'000	2020 AED'000
Borrowings	**5,609,951**	5,610,510
Less: current portion of long term bank borrowings (Note 22)	**(767,517)**	(666,459)
Long-term borrowings	**4,842,434**	4,944,051

(i) The terms of the bank borrowings vary from three to ten years. These are secured by a combination of the Company's corporate guarantee, mortgages over certain investment properties, inventories, trade receivables, property, plant and equipment, assignment of receivables and insurance policies over assets of the Group and lien on bank deposits. The interest rate of majority of the bank borrowings range between 1.5% to 3.5% over EIBOR/LIBOR p.a. Where there is a corporate guarantee, the Company's liability is generally restricted to its percentage of equity interest in the borrowing entity.

(ii) A subsidiary of the Company namely Dubai Investments Real Estate LLC had signed a long-term loan facility of AED 1,080 million with the banks to finance the construction of a real estate development project. The facility had a term of 10 years with the available utilisation period of up to 4 years. The repayment will commence immediately after the completion of the utilisation period and will be through semi-annual instalments.

The facility consists of the following covenants which needs to be complied with by the Guarantor (i.e. the Company) and the Borrower (i.e. the subsidiary) at the reporting date.

For Guarantor:
- Minimum tangible net worth of AED 8 billion
- Debt/equity 1:1 or below
- Total debt/tangible net worth of 1:1 or lower
- Unencumbered assets to total unsecured debt of 2:1 or higher

For Borrower:
- Debt service coverage ratio of 1.2X to EBITDA
- Loan to value of the project not to exceed 50%

The Group has complied with all covenants mentioned above.

As at 31 December 2021, the subsidiary has utilised AED 1,028 million (2020: AED 907.8 million) from the loan facility. The availability period expired during the year ended 31 December 2021.

22 Bank borrowings

	2021 AED'000	2020 AED'000
Bank overdraft, trust receipt loans and bills discounted	**204,188**	320,537
Short term loans	**1,146,637**	1,022,955
Current portion of long-term bank borrowings	**767,517**	666,459
	2,118,342	2,009,951

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

Short term loans amounting to AED 292 million (2020: AED 324 million) have been obtained for investments in bonds, funds and structured products and are secured against the pledge of those investments in favor of banks (Note 13).

The Group had access to undrawn banking facilities of AED 1,496.4 million as at 31 December 2021 (2020: AED 1,671.7 million).

23 Leases

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

(i) Right-of-use assets:

	Land AED'000	Building AED'000	Plant and equipment AED'000	Total AED'000
Cost				
As at 1 January 2020	99,753	65,238	153,205	318,196
Additions during the year	25,497	1,650	219,716	246,863
Disposals and transfers	-	(5,079)	-	(5,079)
As at 31 December 2020	125,250	61,809	372,921	559,980
Additions during the year	5,079	2,255	-	7,334
Transferred to investment properties (Note 12)	(14,714)	-	-	(14,714)
Disposals	-	(2,032)	-	(2,032)
Disposal of a subsidiary	(27,466)	-	-	(27,466)
As at 31 December 2021	**88,149**	**62,032**	**372,921**	**523,102**
Accumulated amortisation and impairment losses				
As at 1 January 2020	7,884	9,660	31,001	48,545
Amortisation	8,881	9,866	26,441	45,188
Disposals and transfers	-	(1,559)	-	(1,559)
As at 31 December 2020	16,765	17,967	57,442	92,174
Amortisation	5,645	9,878	25,764	41,287
Disposals	-	(658)	-	(658)
Disposal of a subsidiary	(5,308)	-	-	(5,308)
As at 31 December 2021	**17,102**	**27,187**	**83,206**	**127,495**
Carrying amount				
31 December 2020	108,485	43,842	315,479	467,806
31 December 2021	**71,047**	**34,845**	**289,715**	**395,607**

23 Leases (continued)

(ii) Lease liabilities:

	2021 AED	2020 AED
Current	**43,196**	44,596
Non-current	**378,308**	435,842
	421,504	480,438

	2021 AED	2020 AED
Depreciation charge of right-of-use assets	**41,287**	45,188
Interest expense on lease liability (included in finance costs)	**34,558**	34,639

The total cash outflow for leases in 2021 was AED 42.74 million (2020: AED 35.52 million).

24 Trade and other payables

	2021 AED'000	2020 AED'000
Non-current		
Other payables	**293,648**	304,165
Current		
Trade payables	**568,589**	524,405
Payable to Government of Dubai for their share of realised profit of a subsidiary	**170,809**	219,219
Unearned rent (Note 12)	**202,000**	194,633
Advances received from customers	**57,225**	119,021
Provision for employees' end of service benefits	**46,333**	44,141
Retention payable	**35,402**	120,310
Other payables and accrued expenses	**723,694**	752,627
	1,804,052	1,974,356

25 Share capital and share premium

	2021 AED'000	2020 AED'000
Authorised		
8,000,000,000 shares of AED 1/- each (2020: 8,000 million shares of AED 1 each)	**8,000,000**	8,000,000
Issued and paid up		
4,252,018,000 shares of AED 1/- each (2020: 4,252 million shares of AED 1 each)	**4,252,018**	4,252,018

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

26 Capital reserve

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

27 Legal and general reserve

In accordance with the Articles of Association of entities within the Group, Article 103 and Article 239 of the UAE Federal Law No. (2) of 2015, as amended, 10% of the profit for the year of the individual entities, to which the law is applicable, is to be transferred to the legal reserve. Such transfer may be discontinued when the legal reserve equals 50% of the paid up share capital of the respective individual entities. This reserve is non-distributable except in certain circumstances as mentioned in the above-mentioned law.

In accordance with the Articles of Association of the Company, further allocation to general reserve has been discontinued with effect from 2020.

Further, in accordance with the Articles of Association of certain entities within the Group, 10% of the profit for the year is required to be transferred to a general reserve. However, as per the Articles of Association of these entities, the transfer may be discontinued upon a resolution passed at the Ordinary General Meeting if proposed by the Board of Directors.

Accordingly, the companies within the Group, where applicable, have transferred amounts to legal and general reserve.

28 Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of investments classified as fair value through other comprehensive income (Note 13).

29 Proposed dividend

For the year 2021, the Board of Directors have proposed a cash dividend of 12 % (AED 0.12 per share) to the shareholders of the Company.

At the Annual General Meeting held on 11 April 2021, the shareholders approved a 8% cash dividend (AED 0.08 per share) proposed by the Board of Directors. The dividend amounting to AED 340.2 million was paid during the current year.

30 Proposed directors' fee

Proposed directors' fees amounting to AED 12 million (2020: AED 10.5 million), represents compensation for professional services rendered by the Directors.

31 Basic and diluted earnings per share

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

	2021	2020
Profit attributable to Owners of the Company (AED '000)	**619,487**	347,550
Weighted average number of shares outstanding ('000s)	**4,252,018**	4,252,018
Basic and diluted earnings per share (AED)	**0.15**	0.08

32 Capital commitments

	2021 AED'000	2020 AED'000
Capital commitments – contracted and committed	**523,326**	678,214

Capital commitments mainly includes the following:

- value of construction contracts awarded to contractors for real estate projects under development.
- One of the subsidiaries of the Group has signed an agreement with RTA to share the cost of infrastructure and development works of the adjoining areas. Total outstanding commitment as at 31 December 2021 amounts to AED 218.5 million (2020: AED 247.5 million) which will be invoiced and paid until 2029, in semi-annual instalments of AED 14.5 million each.

33 Contingent liabilities

The Group has contingent liabilities in respect of letters of guarantee and letters of credit amounting to AED 149.9 million (2020: AED 181.8 million) as at 31 December 2021.

34 Lease rentals

Leases as lessor

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

	2021 AED'000	2020 AED'000
Less than one year	**595,521**	554,172
Between one to five years	**2,302,909**	2,164,426
More than 5 years	**5,289,239**	5,168,909
	8,187,669	7,887,507

35 Related party transactions

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

Related party transactions are entered at mutually agreed terms.

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

	2021 AED'000	2020 AED'000
Compensation to key management personnel, including Directors' fees is as follows:		
Short-term benefits (including Directors' fees)	**27,890**	28,180
Post-employment benefits	**485**	485

36 Non-controlling interests

The Group does not have any individually material non-controlling interests in any of its subsidiaries as at 31 December 2021.

37 Investment in subsidiaries

(a) The following are the investments in subsidiaries held by the Company as at 31 December 2021:

Entity	Incorporated in	Ownership %
Dubai Investments Park Development Co. LLC	UAE	100
Dubai Investment Real Estate Company LLC	UAE	100
Emirates District Cooling LLC (Emicool)	UAE	100
Al Taif Investment Company LLC	UAE	60
Dubai Investments Industries LLC	UAE	100
Glass LLC	UAE	100
Masharie LLC (Note 37 (b) (iii))	UAE	97.9
Dubai Investments International Limited	UAE	100
Dubai Investments International Angola, LDA	ANGOLA	90
Anchor Mozna Real Estate LLC	UAE	100
Al Mal Capital PSC (Note 37 (b) (i))	UAE	66.76
Al Mal Capital REIT	UAE	76.8
Properties Investment LLC	UAE	70
PID Owners Association Management LLC	UAE	70

(i) The following are investments in subsidiaries held by Dubai Investment Real Estate Company LLC as at 31 December 2021:

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

(ii) The following are the investments in subsidiaries held by Dubai Investments Industries LLC as at 31 December 2021:

Emirates Building Systems Company LLC	UAE	100
Globalpharma LLC	UAE	100
Dubai Cranes and Technical Services LLC	UAE	80
Emirates Extruded Polystyrene LLC (Note 37 (b)(ii))	UAE	100
Techsource LLC	UAE	100
DIID Management DMCC	UAE	90
University of Balamand Dubai	UAE	100

(iii) The following are the investments in subsidiaries held by Glass LLC as at 31 December 2021:

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

37 Investment in subsidiaries (continued)

(iv) The following are the investments in subsidiaries held by Masharie LLC as at 31 December 2021:

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

(v) The following are the investments in subsidiaries held by Al Mal Capital PSC as at 31 December 2021:

Al Mal Real Estate Fund	UAE	64
AMC Venture Two Ltd	Cayman Islands	100
AMC Venture SPC	Cayman Islands	100
AMC Venture One Ltd	Cayman Islands	100
Al Mal Direct Equity 1 Ltd.	UAE	100
Al Mal Capital (Mauritius) Ltd.	Mauritius	100
Blue Line India Opportunities	Mauritius	100
Pearl India Opportunities	Mauritius	100
Saqer Investments Limited	Cayman Islands	100
Al Mal Fund Company BSC	Bahrain	99

(vi) The following are the investments in subsidiaries held by Emirates District Cooling LLC as at 31 December 2021:

Aquacool Metering LLC	UAE	100
Emicool Plus Cooling Co. LLC	UAE	100
Emicool Global FZ LLC	UAE	100
Emicool Central Cooling LLC	UAE	100
Emicool North District Cooling LLC	UAE	100
Emitech Building Mechanical Engineering Services LLC (Note 39 (b) (iv))	UAE	100
Gas Integrated Solutions Payment Services Provider LLC	UAE	100
Emirates Integrated Cooling Services LLC	UAE	51

(b) Acquisition of non-controlling interests

(i) During the current year, the Group acquired additional 0.15% equity interest in its existing subsidiary Al Mal Capital PSC. Post-acquisition of additional interest, the Company's shareholding in AL Mal Capital PSC increased to 66.76%.

(ii) During the previous year, the Group acquired additional 49% equity interest in its existing subsidiary Emirates Extruded Polystyrene LLC. Post-acquisition of additional interest, the Company's shareholding in Emirates Extruded Polystyrene increased to 100%.

37 **Investment in subsidiaries** (continued)

(b) Acquisition of non-controlling interests (continued)

(iii) During the previous year, the Group acquired additional 22.22% equity interest in its existing subsidiary Masharie LLC. Upon the acquisition the company's shareholding in Masharie LLC increased to 97.9% subsidiary of the Group.

(iv) During the previous year, Emitech Building Mechanical Engineering Services LLC (previously Reaaia Building maintenance LLC) became a wholly owned subsidiary of the Group on acquisition of additional 40% interest from minority shareholders.

38 Disposal of a subsidiary and disposal of controlling interest in a subsidiary

During the current year, the Group disposed of its entire interest in an existing subsidiary. This transaction has resulted in a net gain of AED 9.37 million which is included under the gain on sale of investments.

During the prior year, the Group disposed of part of its interest in existing subsidiary, Emirates Insolaire LLC resulting in a loss of control. Post disposal, Emirates Insolaire LLC has been classified as an associate of the Group. The disposal resulted in a net gain of AED 14.3 million which was included under the gain on sale of investments.

39 Accounting estimates and judgments

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

(a) Valuation of investment properties

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

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

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

(c) Impairment of other non-current assets

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

39 Accounting estimates and judgments (continued)

(d) Determining fair values of financial investments

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

(e) Determination of incremental borrowing rate

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

(f) Determining the lease term

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

40 Segment reporting

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

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

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

40 Segment reporting (continued)

Information about reportable segments

	Property		**Investments**		**Manufacturing contracting and services**		**Total**	
	2021	2020	**2021**	2020	**2021**	2020	**2021**	2020
	AED'000	AED'000	**AED'000**	AED'000	**AED'000**	AED'000	**AED'000**	AED'000
Sales of goods and services								
(i) at a point of time	**26,720**	23,201	**24,823**	13,248	**1,078,349**	883,581	**1,129,892**	920,030
(ii) over time	**-**	-	**-**	-	**499,821**	468,874	**499,821**	468,874
Total sales of goods and services (i)+(ii)	**26,720**	23,201	**24,823**	13,248	**1,578,170**	1,352,455	**1,629,713**	1,388,904
Contract revenue (over time)	**-**	-	**-**	-	**226,575**	197,233	**226,575**	197,233
Sales of properties (at a point of time)	**508,472**	293,076	**-**	-	**-**	-	**508,472**	293,076
Rental income	**822,004**	857,342	**-**	-	**-**	-	**822,004**	857,342
Gain/(loss) on fair valuation of investment properties	**55,399**	(91,367)	**-**	-	**-**	-	**55,399**	(91,367)
Gain on sale of investments properties	**-**	32,192					**-**	32,192
Gain/(loss) on fair valuation of investments	**-**	-	**100,036**	(9,653)	**-**	-	**100,036**	(9,653)
Gain on sale of investments	**-**		**33,065**	18,745	**-**	-	**33,065**	18,745
Dividend income	**-**	-	**32,325**	22,824	**-**	-	**32,325**	22,824
Share of profit/(loss) from equity accounted investees	**-**	-	**853**	(32,960)	**-**	-	**853**	(32,960)
Bargain purchase gain	**-**	-	**6,900**	-	**-**	-	**6,900**	-
Total income	**1,412,595**	1,114,444	**198,002**	12,204	**1,804,745**	1,549,688	**3,415,342**	2,676,336
Cost of sales	**(816,783)**	(520,032)	**-**	-	**(1,452,573)**	(1,264,910)	**(2,269,356)**	(1,784,942)
Administrative and general expenses	**(94,404)**	(97,000)	**(116,331)**	(107,887)	**(235,494)**	(250,214)	**(446,229)**	(455,101)
Finance costs	**(109,675)**	(138,278)	**(20,549)**	(28,293)	**(76,562)**	(118,676)	**(206,786)**	(285,247)
Finance income and other income	**65,898**	93,904	**21,240**	26,961	**74,435**	53,173	**161,573**	174,038
Net impairment losses on trade receivables	**(18,256)**	(41,979)	**-**	-	**(24,166)**	(9,970)	**(42,422)**	(51,949)
Profit/(loss) for the year	**439,375**	411,059	**82,362**	(97,015)	**90,385**	(40,909)	**612,122**	273,135
Profit/(loss) attributable to:								
Owners of the Company	**442,329**	449,619	**76,636**	(95,486)	**100,522**	(6,583)	**619,487**	347,550
Non – controlling interests	**(2,954)**	(38,560)	**5,726**	(1,529)	**(10,137)**	(34,326)	**(7,365)**	(74,415)
Profit/ (loss) for the year	**439,375**	411,059	**82,362**	(97,015)	**90,385**	(40,909)	**612,122**	273,135
Assets	**13,880,561**	14,063,227	**2,670,988**	2,297,610	**5,224,743**	5,400,710	**21,776,292**	21,761,547
Liabilities	**4,895,080**	5,138,510	**1,583,372**	1,623,717	**3,001,528**	2,950,734	**9,479,980**	9,712,961

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

41 Significant accounting policies

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

41.1 Basis of consolidation

(a) Business combinations

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

The Group measures goodwill at the acquisition date as:

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

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

Any goodwill that arises is tested annually for impairment.

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

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

(b) Subsidiaries

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

(c) Non-controlling interests

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

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

41 Significant accounting policies (continued)

41.1 Basis of consolidation (continued)

(d) Loss of control

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

(e) Interests in equity-accounted investees

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

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

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

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

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

(f) Transactions eliminated on consolidation

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

41 Significant accounting policies (continued)

41.2 Revenue

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

Step 1 Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2 Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3 Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5 Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the statement of comprehensive income to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

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

41 Significant accounting policies (continued)

41.2 Revenue (continued)

(a) Revenue from sale of goods

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

(b) Revenue from sale of properties

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

Management estimates the cost to complete for construction of the project in order to determine the cost attributable to revenue being recognised. These estimates include the cost of constructing property, potential claims by contractors and the cost of meeting other contractual obligations to the customers. Infrastructure cost allocated to each project is released to the consolidated statement of profit or loss, as cost of properties sold within 'cost of sales', based on the percentage of construction completed confirmed by external consultants for each project and percentage of infrastructure cost incurred at each period end to the total estimated infrastructure cost.

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

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

(c) Revenue from services rendered

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

For supply of chilled water, revenue comprises of available capacity and variable output provided to customer and is recognised when services are provided. Connection fee is recognised on straight line basis over the term of respective customer contract, unless it represents a separately unidentifiable service and satisfies the criteria for upfront recognition in statement of profit or loss.

(d) Rental income

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

41 Significant accounting policies (continued)

41.2 Revenue (continued)

(e) Contract revenue

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

(f) Dividend income

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

41.3 Government grant

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

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

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

41.4 Finance income and expense

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

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

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

Foreign currency gain or losses are represented on a net basis either as finance income or finance expense depending on whether foreign currency movements are in a net gain or net loss position.

41 Significant accounting policies (continued)

41.5 Property, plant and equipment

(a) Recognition and measurement

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

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

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

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

(b) Reclassification to investment property

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

(c) Subsequent costs

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

(d) Depreciation

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

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

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

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

41 Significant accounting policies (continued)

41.5 Property, plant and equipment (continued)

Depreciation methods, useful lives and residual values are reviewed at each reporting period and adjusted if appropriate.

Capital work-in-progress is stated at cost and includes assets that are being developed for future use. On completion of construction / once commissioned, capital work-in-progress is transferred to the respective category within property, plant and equipment, and depreciated in accordance with the Group's policy.

(e) Leased assets

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

41.6 Intangible assets

(a) Subsequent measurement

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

(b) Other intangible assets

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

(c) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

41.7 Investment properties

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

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

41 Significant accounting policies (continued)

41.7 Investment properties (continued)

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

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

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

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

41.8 Inventories

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

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

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

(b) Properties held for development and sale

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

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

41.9 Contract work-in-progress

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

41 Significant accounting policies (continued)

41.10 Financial instruments

(a) Non-derivative financial assets

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

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

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

(i) Financial assets measured at fair value

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

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

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

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

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

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

Cash and cash equivalents

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

41 Significant accounting policies (continued)

41.10 Financial instruments (continued)

(b) Non-derivative financial liabilities

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

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

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

41.11 Foreign currency

(a) Foreign currency transactions

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

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

(b) Foreign operations

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

Foreign exchange differences arising on translation are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of gain or loss on disposal.

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

41 Significant accounting policies (continued)

41.12 Trade payables and provisions

Trade payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

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

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

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

41.13 Impairment

(a) Non-derivative financial assets

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

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

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

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

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

41 Significant accounting policies (continued)

41.13 Impairment (continued)

(b) Equity-accounted investees

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

(c) Non- financial assets

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

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

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

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

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

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

41.14 Provision for employee's end of service benefits

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

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

41 Significant accounting policies (continued)

41.15 Leases

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

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

    - the Group has the right to operate the asset; or
    - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

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

As a lessee

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

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

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

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

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

41 Significant accounting policies (continued)

41.15 Leases (continued)

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

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

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

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

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

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal and termination options (Note 4). The assessment of whether the Group is reasonably certain to exercise such options impacts lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

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

Short-term leases and leases of low-value assets

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

Variable lease payments

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

41 Significant accounting policies (continued)

41.15 Leases (continued)

As a lessor

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

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

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

41.16 Earnings per share

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

41.17 Segment reporting

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

42 Subsequent events

Subsequent to the year ended 31 December 2021, the Group has received offers for disposal of a controlling interest in one of its subsidiaries and is currently in the process of assessing these offers.

Annual Corporate Governance Report 2021

1 Corporate Governance Practices

Dubai Investments PJSC ("DI") is a leading investment Company with investments across varied diversified sectors, contributing to the advancement, development and empowerment of the communities around it.

Aligned with Dubai’s visionary leadership, Dubai Investments not only succeeded in what appeared to be unfamiliar territories, but also thrived in establishing the Company as it is today - a reputed first-of-its-kind general investment public joint stock company in the UAE with a diverse portfolio of sustainable and profitable investments.

Dubai Investments has considerably increased shareholder and investor value over the past 26 years by its strong and progressive policies for creating strategic investments, executing successful acquisitions, and profitable divestments. Diversifying investments via sensible and practical investments, increasing targeted sectors and providing strategically targeted investments and services both locally and worldwide are all part of the company's long-term ambitions.

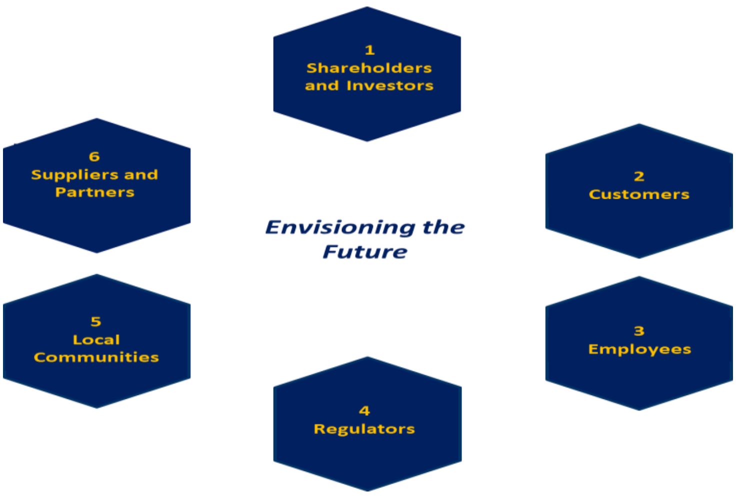
By fostering cohesion and integration across its many operations in real estate, manufacturing, industrial, healthcare, education, and financial investments, Dubai Investments has grown to become a diversified corporation operating in a variety of market categories and locations.

Dubai Investments is directly contributing to the Sustainable Development Goals (SDGs) by creating a roadmap of measures and commitments that facilitate alignment with the SDGs' achievement. Dubai Investments has been also actively contributing to the achievement of the UAE Vision 2021 by aligning its corporate strategy and efforts with the vision's six national priorities. The vision aims to make the UAE among the world’s top countries, which was marked through the celebrations of the Golden Jubilee of the Union in December 2021.

Dubai Investments has contributed to society through its diverse businesses and investments by adhering to seven key sustainability pillars: A Company with Integrity, Amplifying Economic Impacts, Operating Responsibly, Protecting Natural Resources, having a Strong Workforce, maintaining and developing Valuable Relationships, and Supporting our Communities. Dubai Investments is always striving to implement programs and initiatives that align with the pillar-specific goals.

Dubai Investments does business with integrity, transparency, and accountability. We strive to uphold the greatest standards of corporate governance and are committed to eradicating all forms of financial crime while safeguarding human rights.

The connection between Dubai Investments and its stakeholders has a direct influence on our capacity to operate sustainably and on our long-term growth plan. We recognize that stakeholder interests grow throughout time. We will continue to engage with important stakeholders as part of our reporting and strategic planning processes. This type of interaction with our stakeholders has aided us in refining and reconfirming our target areas. These contributions assist in the validation of our most significant risks and opportunities, the creation of our programs, and the enhancement of our communication channels, including this report. Our primary stakeholder groups include the following:



The Board of Directors ("the Board") prioritizes stakeholder opinion while developing its business plan. The Board is the authority that possesses all the power necessary for Dubai Investment's to carry out its activities.

Dubai Investments' Corporate Governance process incorporates a system of checks and balances, which are given by the Non-Executive Board Committees, the External Auditor and the Internal Control mechanisms.

Dubai Investments' future strategy will prioritize investments in youth, innovation, and sustainability, which have been prioritized as the three primary pillars influencing the company's investments and enterprises in the upcoming years. These pillars will direct the company's responsible investments throughout multiple sectors to help generate future value, both domestically and internationally. These investments were, and still are, a guarantee for risk allocation, vision integration, and the economic structure of Dubai Investments.

2 Ownership and transactions by Board members

All Board members have acknowledged that they, their spouses, and their children have not traded in the Company's securities during 2021.

Sr. No.	Name/ Relationship	Title	Number of Shares as on 31/12/2021	Total Sell	Total Buy
1.	Mr. Abdulrahman Ghanem A. Al Mutaiwee	Chairman	Nil	Nil	Nil
2.	Mr. Khalid Jassim Mohamed Bin Kalban	Vice Chairman and Chief Executive Officer	2,532,222	Nil	Nil
	- Spouse	-	117,525	Nil	Nil
3.	Mr. Ali Fardan Ali Al Fardan	Director	105,000	Nil	Nil
4.	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Director	216,605,337	Nil	Nil
	- Spouse	-	105,000	Nil	Nil
5.	Mr. Khaled Mohammad Ali Al Kamda	Director	Nil	Nil	Nil
	- Spouse	-	68,862	Nil	Nil
	- Son	-	93,733	Nil	Nil
	- Daughter	-	68,862	Nil	Nil
6.	Mr. Hussain Nasser Ahmed Lootah	Director	6,958,066	Nil	Nil
	- Daughter	-	22,260	Nil	Nil
7.	Mr. Abdulrahman Mohamed Rashed Al Shared	Director	10,000	Nil	Nil

3 Board of Directors

(a) Board of Directors Composition

The Board comprises of 6 (six) independent and non-executive Directors and the Vice-Chairman & CEO who were unanimously elected by the shareholders for a period of three years during the Annual General Meeting held on 3rd June 2020.

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

Biography of the Board Members

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

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

Mr. Abdulrahman Ghanem A. Al Mutaiwee ***INDEPENDENT***

Chairman of the Board since June 2020 and Member for the last 5 years.
Mr. Abdulrahman Ghanem A. Al Mutaiwee has been a high-ranking diplomat and held senior management positions in various ministries and government establishments.
He worked in the banking field for 4 years and then as Director General of the Dubai Chamber of Commerce and Industry (DCCI) for a period of 23years. Thereafter he served as the Ambassador of the UAE to the Court of St. James and Iceland for 7 years. He was also the Director in the Ministry of Foreign Affairs and International Cooperation in Dubai for three and half years till the end of 2019. He holds a Bachelor's Degree in Economics from Cairo University and Diploma in Banking and Financial Studies from New York.

Mr. Khalid Jassim Mohamed Bin Kalban I C

Vice Chairman and Chief Executive Officer of DI. Board Member for the last 20 years.
Mr. Khalid Bin Kalban has extensive experience in manufacturing & industrial sectors as well as financial, investment and real estate sectors. He holds a degree in Business Management from USA and is a Management Major from Metropolitan State College, USA. He currently holds the following positions:

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

Mr. Ali Fardan Ali Al Fardan ***INDEPENDENT*** NRC I C A C

Board Member for the last 20 years.
Mr. Ali Fardan Ali Al Fardan has significant experience in Real Estate Management, Property Investments, Capital Investment Management and Hospitality Management. He holds a Bachelor of Science in Management and Information System. He currently holds the following positions:

- Chairman of Al Fardan Group
- Managing Director of Al Fardan Real Estate L.L.C
- CEO of First Investor LLC
- Board Member of Al Mal Capital PSC
- Board Member of Commercial Bank of Dubai PJSC
- Board Member of National General Insurance PJSC

Mr. Mohamed Saif Darwish Ahmed Al Ketbi ***INDEPENDENT*** A C, R C

Board Member for the last 12 years.
Mr. Mohamed Al Ketbi has experience in Investments & Projects, Real Estate and Hospitality Sectors. He holds a Bachelor Degree in Business Administration majoring in Business Management. He currently holds the following positions:

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

Mr. Khaled Mohammad Ali Al Kamda ***INDEPENDENT*** A C I C

Board Member for the last 5 years
Mr. Khaled Al Kamda has over three decades of senior management experience across a number of sectors including airlines, private equity and banking and has also held senior management positions in government establishments. He holds a Bachelor's Degree in Electrical Engineering from Florida Institute of Technology, USA and a MBA Degree from Cranfield School of Management, England.

Mr. Hussain Nasser Ahmed Lootah ***INDEPENDENT*** R C NRC

Board Member for the last 2 years
Mr. Hussain Nasser Lootah is a prominent business figure in the UAE, holding, throughout his career, chairmanship and membership of several government committees. Among several key positions held by him, included his association with Dubai Municipality for over 30 years, culminating in his 12 years tenure as the Director General of Dubai Municipality till the year 2018. He also played a prominent role in establishing the Society of Engineers where he chaired its board for 4 years. Currently he is the Chairman of Hussain Lootah Group (HLG). He holds a degree in Civil Engineering from the University of Arizona.

Mr. Abdulrahman Mohamed Rashed Al Shared ***INDEPENDENT*** NRC, R C

Board Member for the last 2 years
Mr. Abdulrahman Mohamed Rashed AlShared is a well-known businessman and a former government official in Dubai Municipality. He has held senior level positions across several sectors. He was previously employed as a Secretary General by Awqaf & Minors Affairs Foundation. In addition to being the founder of Mai Real Estates, he is a Board member across various entities. He holds a Master's Degree in Environmental Sciences.

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

Whilst there is presently no woman representation on the Board, it may be noted that DI had (5) five women candidates for the Board elections held in June 2020.

DI strongly believes in encouraging women's participation in all levels of the business and presently women comprise 27.27% of the Executive Management team.

(d) Board Remuneration

1. The shareholders had approved the Board of Directors remuneration amounting to AED 10.5 Mn (AED Ten million five hundred thousand) for the year 2020.

2. The Nomination & Rewards Committee and the Board of Directors have recommended an amount of AED12Mn (AED Twelve million) as remuneration for Board of Directors for the year 2021. However, the same is subject to shareholders' approval at the forthcoming Annual General Meeting.

3. The total fixed allowances for Board committee meetings for the year is as follows:

Sr. No.	Name	Allowances for Attending the Board Committee meetings		
		Committee Name	Value of Allowances (AED)	Meetings attended
1	Mr. Ali Fardan Ali Al Fardan	Audit Committee	150,000	5
		Nomination and Rewards Committee	140,000	4
		Investment Committee	140,000	4
2	Mr. Khaled Mohammad Ali Al Kamda	Audit Committee	150,000	5
		Investment Committee	140,000	4
3	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Audit Committee	150,000	5
		Risk Committee	140,000	4
4	Mr. Khaled Jassim Mohamed Bin Kalban	Investment Committee	140,000	4
5	Mr. Abdulrahman Mohamed Rashed Al Shared	Risk Committee	140,000	4
		Nomination & Rewards Committee	140,000	4
6	Mr. Hussain Nasser Ahmed Lootah	Risk Committee	140,000	4
		Nomination & Rewards Committee	140,000	4
7	Mr. Mushtaq Masood	Investment Committee	140,000	4

During 2021, no additional allowances, salaries, or fees, other than what is stated in this Report, were paid to any member of the Board of Directors.

(e) Board meetings

The Board of Directors convened 5 (five) times during 2021, as follows:

Sr. No	Date of Board meeting	Number of attendees	Proxy	Names of absent Directors
1	10th March 2021	7	None	None
2	29th April 2021	7	None	None
3	4th August 2021	7	None	None
4	3rd November 2021	7	None	None
5	15th December 2021	7	None	None

(f) Number of Board of Directors Resolution by circulation issued during the financial year 2021 showing the dates

No Resolutions by circulation were approved by the Board during the year 2021.

(g) Board Duties and Delegation to Executive Management

The powers reserved for the Board of Directors have been explicitly stated in the Board Charter in compliance with legislations and regulations inter alia, the Companies Law (2) of 2015 and its amendments, Chairman Resolution No (3/RM) of 2020 and the Articles of Association of the Company.

Detailed job descriptions are provided for each member of the Executive Management. During 2021 the Board did not delegate any of its reserved powers to the Executive Management.

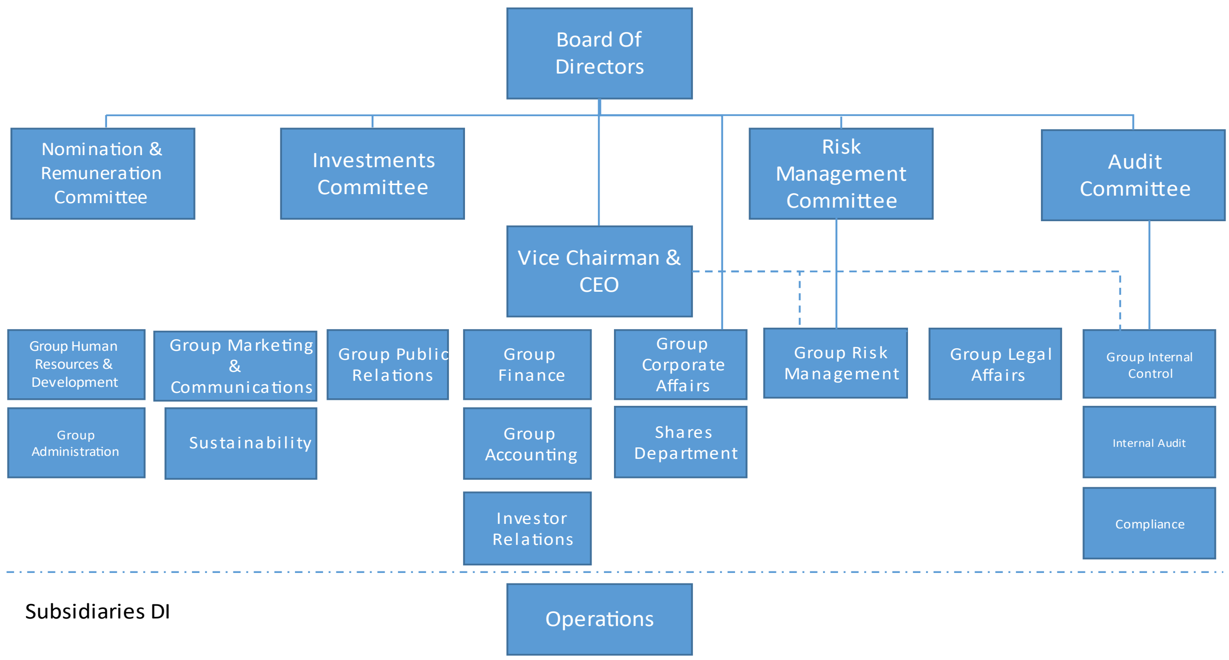
(h) Transactions with Related Parties

i) A statement of the details of transactions made with the Related Parties (stakeholders) during 2021 are as follows:

Sr. No	Company	Name of the related parties	Nature of relationship	Transaction Value (AED)	Type of transaction
1	Dubai Investment Real Estate	Mr. Taha Muallim	Employee - DI	35,000	Rent for lease of 1 Br apartment at Al Mozna
2	Dubai Investment Real Estate	Mr. Saleh Omran	Employee - DI	30,000	Rent for lease of 1 BR apartment at Al Mozna
3	Dubai Investment Real Estate	Mr. Alaa El Din Mohammed	Employee - DI	35,000	Rent for lease of 1 BR apartment at Al Mozna
4	Dubai Investment Real Estate	Mr. Wahib Yehia Mohamad	Employee-DIP	35,000	Rent for lease of 1 BR apartment at Al Mozna
5	Dubai Investment Real Estate	Mr. Abdulrahman Ghanem A. AL Mutaiwee	Chairman - DI	85,000	Rent for lease of apartment in Mirdiff Hills
6	Emirates Glass	Mr. Obaid Al Salami	General Manager – DIR	20,164	Supply of glass for villa in Sharjah
7	Dubai Investments Park	Mr. Omar Al Mesmar	General Manager – DIP	182,335	Plot of land 4051.9 sq.m leased for 30 years in DIP
8	Al Mal Capital	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Director- DI	4.791 Mn	Margin trading facility
9	Al Mal Capital	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Director- DI		Pre IPO Subscription
10	Al Mal Capital	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Director- DI		Pre IPO Subscription
11	Al Mal Capital	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Director- DI		Pre IPO Subscription
12	Al Mal Capital	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Director- DI		Pre IPO Subscription
13	Al Mal Capital	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Director- DI		Pre IPO Subscription
14	Al Mal Capital	Mr. Mohamed Saif Darwish Ahmed Al Ketbi	Director- DI		Pre IPO Subscription

ii) There were NO Related Party transactions equal to (5%) or more of the Company's Capital during the year 2021.

(i) Organization Structure of the Company



(j) Executive Management

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

Remuneration paid by the Company to Executive Management in 2021 is tabulated below:

Sr. No.	Designation	Date of Appointment	Total Annual Salary Paid (AED)*	Total Annual Bonus Paid (AED)**	Any Other Cash or Non Cash Rewards in 2021 or which shall be due in the future
1	Vice Chairman and Chief Executive Officer	1st July 1995	4,440,000	5,250,000	***
2	CEO- Industrial Platform	1st March 1998	2,280,000	600,000	***
3	Group Chief Financial Officer	2nd January 2008	1,389,600	300,000	***
4	Chief Corporate Affairs Officer	1st May 2005	1,023,276	200,000	***
5	Chief Internal Controls Officer	3rd October 2005	1,010,436	200,000	***
6	Chief Human Resources and Administration Officer	1st November 2012	941,664	150,000	***
7	Group Marketing & Communications Manager	1st October 2004	737,904	126,000	***
8	Group Public Relations Manager	1st September 2004	582,696	98,175	***
9	Group Legal Advisor	23rd May 2021	364,795	-	***
10	Head of Risk	28 March 2021	438,312	-	***

*Note: * Includes allowances, general pension, and social security.*

*** Paid in 2021 pertaining to 2020.*

**** Bonuses for the year 2021 have not been declared as of the date of this Report.*

4 External Auditor

(a) Brief on External Auditor

PriceWaterhouseCoopers (PwC) was appointed as the Company's external auditor for the year 2021 by DI Shareholders in the Annual General Meeting held on 11th April 2021.

PwC is a network of firms in 155 countries with over 284,000 people providing assurance, advisory and tax services.

Established in the Middle East for 40 years, PwC has 23 offices across 12 countries in the region with around 6,300 people.

(b) Professional fees of the External Auditor for 2021 were as follows:

Name of Auditing Firm and Name of Audit Partner	PricewaterhouseCoopers (PwC) Mr. Mohamed Saad Kadiri
Number of years served as an External Auditor for the Company	4 years
Number of years served as an Audit Partner for the Company	1 year
Total fees for auditing for 2021 (in AED)	AED 408,100
The fees and costs of the special services other than the auditing of the financial statements in 2021 (in AED).	AED 149,203
The details and nature of other services provided.	Other services relate to reporting required by SCA on unclaimed dividends and fees for review of subsidiary auditors reporting.
Other services performed by an External Auditor other than the Company's External Auditor in 2021.	Name of Auditor: KPMG Nature of Services provided: IT advisory services and Compliance review for CBCR and Economic substance reporting - AED 206,250.

Additionally, PwC have been appointed as External Auditors by DI's subsidiaries for which fees have been agreed separately by the relevant subsidiaries.

(c) External Auditors' opinion

The External Auditor has not qualified its opinion on DI 2021 interim or annual consolidated financial statements.

5 Audit Committee (AC)

The Roles and Responsibilities of the Audit Committee inter alia include:

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

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

The Audit Committee convened 5 (five) times during 2021 on 10th March, 29th April, 3rd August, 2nd November and 14h December 2021 and the following table summarizes the members and their attendance:

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

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

6 Nomination & Rewards Committee (NRC)

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

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

To provide independence from management, all members of the Nomination and Rewards Committee are Non-Executive and the Chairman of the Board is not a member of the Committee. Mr. Ali Fardan Ali Al Fardan serves as the Chairman of the Nomination and Rewards Committee.

The Nomination and Rewards Committee convened 4 (four) times in 2021 on 10th March, 29th April, 4th August and 15th December 2021 and the following table summarizes the members and their attendance:

Sr. No.	Name	Title	Meetings attended
1	Mr. Ali Fardan Ali Al Fardan	Chairman	4
2	Mr. Hussain Nasser Ahmed Lootah	Member	4
3	Mr. Abdulrahman Mohamed Rashed Al Shared	Member	4

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

7 Risk Committee

The Board constituted the Risk Committee in November 2020, the objective and purpose of which is to assist the Board in fulfilling its oversight responsibilities in relation to Enterprise Risk Management (ERM).

The Committee oversees the ERM framework in place which provides structure to how material risk exposures are measured, monitored, managed, and mitigated; and includes appropriate policies, procedures, and controls. The Committee convened 4 (four) times through 2021, during which time, it recommended the Risk Appetite Statement to the Board and reviewed 4 (four) periodic, consolidated Risk Reports, which were presented to the Committee by the Head of Risk.

The Risk Committee convened 4 (four) times in 2021 on 10th March, 29th April, 3th August and 2nd November 2021 and the following table summarizes the members and their attendance:

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

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

8 Investment Committee (IC)

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

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

The IC convened 4 (four) meetings during 2021 on 10th March, 21st June, 28th October and 3rd November 2021 and the following table summarizes the members and their attendance:

Sr. No.	Name	Title	Meetings attended
1	Mr. Khalid Jassim Mohamed Bin Kalban	Chairman	4
2	Mr. Ali Fardan Ali Al Fardan	Member	4
3	Mr. Khaled Mohammed Al Kamda	Member	4
4	Mr. Mushtaq Masood	Member	4

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

9 Committee for Management and Supervision of Insiders' Trading

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

- *Manage, follow-up and supervise insiders' trading and their shareholding in DI shares;*
- *Maintain a special and comprehensive register for all insiders, including persons who could be considered as insiders on a temporary basis and who are entitled to or have access to inside information of the Company prior to publication. The record also includes details of initial declaration and subsequent updates on the trades by insiders and their shareholding; and*
- *Submit statements and reports to the Market, when required.*

The ITSC convened four (4) meetings during 2021 on 10th February, 28th April, 1st August and 1st November 2021 and the following table summarizes the members and their attendance:

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

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

10 Internal Controls System

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

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

(c) The Compliance Officer is Mr. Mohamed El Sahwi, a Certified Management Accountant, who was appointed as Compliance Manager on 6th September 2015.

(d) The Board is pleased to confirm to its stakeholders that in line with Article (68) of the Authority Chairman Decision No. (3/Chairman) of 2020, the Board has conducted its annual review of the efficiency of the Internal Control System and concluded that no material internal control breaches were recorded in 2021 requiring disclosure in a Report or to the Market.

(e) Number of Reports – Four (4) periodic reports were issued by Internal Controls Department to the Audit Committee during 2021.

11 Violations

To the best of knowledge of the Board and the Executive Management, **No Material violations were committed** during 2021 and DI is compliant with the Authority Chairman Decision No. (3/Chairman) of 2020 on Corporate Discipline and Governance Standards.

12 Contribution towards Society and Protection of the Environment

Dubai Investments' Sustainability Approach

During 2021, Dubai Investments contributed a total of approximately AED 1.74 million in more than 40 initiatives and supported various local and regional community initiatives.

Benefiting the community	Protecting the Environment	Preserving UAE's Heritage and Culture	Social Awareness Campaigns
• Sponsored a student from Rashid Centre for people of determination. • Supported Dubai Autism Centre. • Distributed 2500 iftar meals with Beit Al Khair in DIP labour camps during Ramadan. • Supported Awladouna Centre for People with Disabilities with rent payment. • Sponsored Smile on the Face campaign which distributed iftar meals and toiletries to 2000 blue collared workers across labour camps in Dubai. • Sponsored Eid clothes for underprivileged children in collaboration with Rawafed Centre. • Provided iftar for healthcare frontline workers in collaboration with Kings College Hospital Dubai. • Partnered with RTA to arrange iftar meals for taxi drivers. • Provided treatment for children suffering from cancer by sponsoring Children's Cancer Centre. • School fee support was provided to two needy children. • Provided wheelchair, physiotherapy and medical treatment of a child suffering from neuro disorder. • Dialysis support was provided to a needy	• DI partnered with Total Energies to install photovoltaic rooftop systems on Emirates Glass and Lumiglass factory which will generate 2,800 megawatt hours of energy annually. It will reduce CO2 emissions by approximately 1200 tons annually which is equivalent to planting 30,000 trees. • DI observed Earth Hour encouraging employees to participate in the global campaign by switching off non-essential lights and appliances for an hour. • DI marked Earth Day under the theme restore our earth. 12 recycling centers were placed in DIP in collaboration with Imdaad to mark the day. • DI marked World Environment Day with a month-long initiative in collaboration with DGrade. DI employees collected plastic water bottles to be reused for making greenspun yarn towards creating merchandise, given back to employees in exchange for the bottles collected. • On the occasion of International E-waste Day, a month-long e-waste collection campaign was launched at 5 points across Dubai Investments Park collecting 66kg of electronic waste that was sent for recycling.	• Supported Sheikh Mohamed Centre of Cultural Understanding with their annual rent payment. • DI employees celebrated the Flag Day by hoisting the UAE flag, playing the UAE national anthem and creating UAE flag from string art. • DI employees celebrated UAE National Day through cultural activities. • DI organized a school competition called Express Your Love for UAE through Arts for 50th National Day of UAE. 14 schools participated and a display of artworks was organized on National Day.	• Yammer an internal social platform facilitating employee internal communication was launched. • Sponsored an anti-bullying campaign by ADWAR which was distributed to 70 schools across UAE. • Sponsored an autism awareness campaign of Dubai Autism Centre. • Promoting employee wellness, Ergonomics Session was held by Zulekha Hospital to reiterate the importance of proper desk posture to avoid neck and back pain and other joint related issues. • As part of employee health and wellness campaign Desktop and Destress Yoga session was conducted for employees. • DI organized a Blood Donation Camp in association with Dubai Health Authority. • Health checkup was organized for employees which included BMI, glucose, blood pressure and eye checkup. Cholesterol checkup vouchers were also provided. • Special offers for breast cancer medical screenings at various hospitals across Dubai were given to DI group female employees.

<table>
<tr>
<td rowspan="2">kidney patient and medical treatment was provided to a needy cardio patient.
• Sponsored an adapted bicycle for UAE National Cycling Team through Emirates Association of Visually Impaired.
• Sponsored a program of “Association of Families of Persons with Disabilities” for integrating them in the community.
• Supported Faraj Fund for release of four prisoners under financial debt.</td>
<td rowspan="2">• Supported Adopt a Tree program by Emirates Environment Group by planting 200 saplings at Special Bee Reserve at Al Minae - South of Ras Al Khaimah.
• DI subsidiary Emicool entered into a research & development collaboration with Siemens to develop energy saving solutions and measures.
• DI subsidiary Emirates Insolaire’s photovoltaic solar panels led to 85% energy saving at Expo 2020 Monaco pavilion. CO_2 emission dropped by 41 tons annually.</td>
<td>Supporting Youth Development</td>
<td rowspan="2"></td>
</tr>
<tr>
<td>• DI sponsored Junior Leadership Program for 11 – 16-year-old children from various schools which instilled self-awareness, self-appreciation, and self-esteem in children.
• DI sponsored a student with good academic scores majoring in Biology.
• DI sponsored 2 special needs students from My Maximus centre for people of determination for vocational training.
• DI launched a school competition to enhance the knowledge of students of business studies about financial literacy and stock investments. Students designed strategies with best return on investments based on case studies. 1200 students from 27 countries participated.</td>
</tr>
</table>

13 General Information

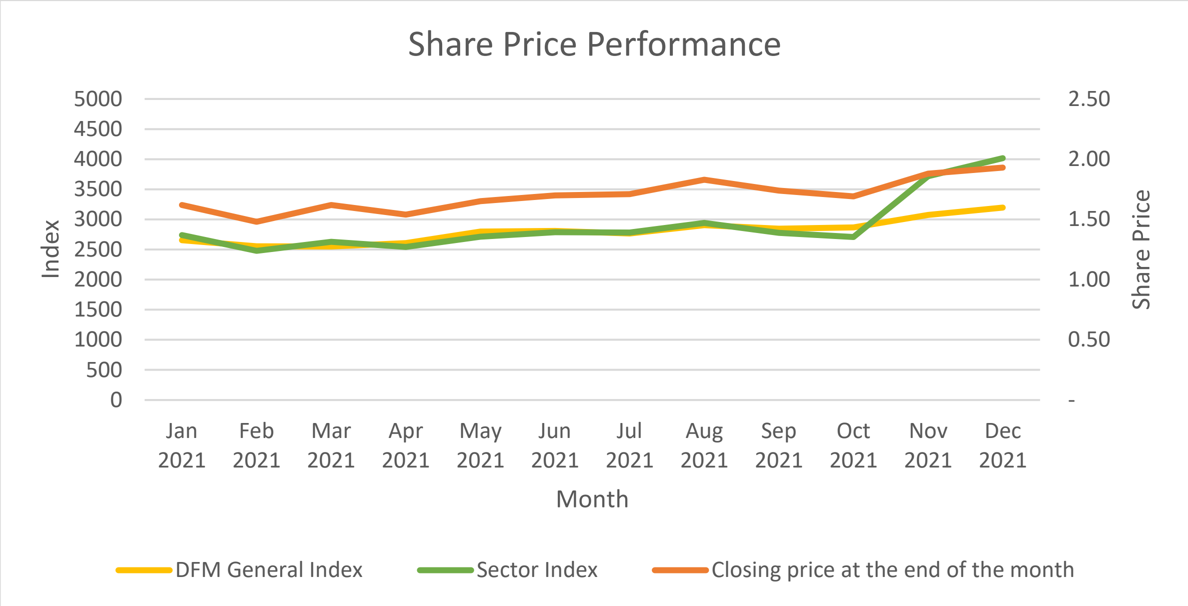
(a) Share Price Movement

The Company’s (Highest, Lowest and Closing) Share Price at the end of each month for the fiscal year ending on December 31, 2021 is given in the table below:

Month	Highest price during the month	Lowest price during the month	Closing price at the end of the month	DFM General Index	Index of Financial Investment Sector
January	1.72	1.45	1.62	2654.06	2740.05
February	1.65	1.42	1.48	2551.54	2477.77
March	1.64	1.45	1.62	2550.23	2625.19
April	1.67	1.51	1.54	2605.38	2541.52
May	1.71	1.54	1.65	2797.52	2711.25
June	1.76	1.62	1.70	2810.56	2785.75
July	1.73	1.67	1.71	2765.71	2782.90
August	1.90	1.72	1.83	2902.97	2939.03
September	1.87	1.72	1.74	2845.49	2775.98
October	1.75	1.63	1.69	2864.21	2706.20
November	2.08	1.70	1.88	3072.91	3714.60
December	1.97	1.86	1.93	3195.91	4016.53

(b) Comparative Share Price Performance

The graph depicted below indicates the performance of the Company Closing Share Price for 2021 against the DFM General Index and the Index of Financial Investment Sector for 2021.



(c) Statement of Shareholders' Nationality

As on December 31, 2021, 4,252,019,585 shares were held by 15,944 shareholders. The shareholder mix is depicted in the table below.

Classification	% of Ownership				
	Individuals	Companies	Governments & Institutions	Banks	Total %
Local	51.91%	17.91%	18.23%	0.46%	88.51%
GCC	1.47%	0.55%	0.06%	0.17%	2.25%
Arab	1.84%	0.05%	0.00%	0.01%	1.90%
Foreign	1.04%	6.24%	0.00%	0.06%	7.34%
Total	**56.26%**	**24.75%**	**18.29%**	**0.70%**	**100.00%**

(d) Top Shareholders

Shareholders who own 5% or more as on 31 December 2021 are as follows:

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

(e) Shareholding distribution

The distribution of shareholders by size of shareholding as on 31 December 2021, is as follows:

Sr. No.	Ownership of shares (number of shares)	Number of shareholders	Number of owned shares	Percentage of the shares held of the Company's capital
1	Less Than 50,000	11,829	207,163,429	4.87%
2	Between 50,000 and 500,000	3,532	479,842,385	11.29 %
3	Between 500,000 and 5,000,000	489	729,664,796	17.16%
4	Greater than 5,000,000	94	2,835,348,975	66.68 %
	Total	**15,944**	**4,252,019,585**	**100.00%**

(f) Investor Relations

For the purposes of Article (51) of the Authority Chairman Decision No. (3/Chairman) of 2020, the officer in charge of investors' relations and shareholder communications for the Company is Mr. Maher Rabah, Investor Relations – Assistant Manager.

Contact details:

Tel +9714 8122400 Mobile No: 0563877899

Fax +9714 8122480

P.O. Box: 28171 Dubai | UAE

Email: IR@dubaiinvestments.com

Further information in relation to Investor Relations is available in the Investor Relations section of the Company's website which can be accessed at http://www.dubaiinvestments.com/en/investor-relations/.

(g) Special Resolutions

Two special resolutions were approved at the 25th Annual General Meeting held on 11th April 2021 by the shareholders and the competent authorities, as follows:

(g-1) **Article of Association:**

Amendments to the Articles of Association of Dubai Investments PJSC, such that the Amended and Restated Articles of Association of the Company include changes made to the following Articles to be in line with the requirements Commercial Companies Law No. (2) of 2015 as amended by the Federal Decree Law No. (26) of 2020 and the Authority Chairman Decision No. (3/Chairman) of 2020 concerning approval of Joint Stock Companies Governance Guide: Article Nos.1, 19(b), 20(b) &(d), 23(c), 25(d), 26, 29(d), 40(a), 41, 42(b), 44(a), 47(a), 48, 50, 51(b)(2), 52 (b), 65 and 68.

Further resolved that the Chairman of the Board of Directors and/ or the Company's Vice Chairman & CEO be authorized to carry out the necessary formalities, sign the Amended and Restated Article of Association of the Company before the Notary Public and submit the relevant documents to the competent authorities.

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

The voluntary contributions made by the Company in the context of Corporate Social Responsibility for the Years 2019 and 2020 as set out in the financial statements for those years were AED 1.22 Mn and 1.46 Mn respectively. Further resolved to authorize the Board of Directors to approve voluntary contributions for the year 2021, not exceeding (0.5%)of the average net profits of the Company during the two previous financial years, at the Board discretion.

(h) Board Secretary

Mr. Kurian Chacko was appointed as Group Company Secretary at Dubai Investments PJSC on 22nd March 2009. He holds a B.Sc., Masters in Law (LLM) and completed ACS Intermediate. He has over 40 years' of experience in similar positions.

(i) Significant Events

Acquisitions & Investments	➢ Dubai Investments acquired 48.34% stake in National General Insurance Company (NGI). ➢ Al Mal Capital REIT acquired first educational asset with two school campuses of Al Shola Private Schools in Ajman.
Growth and Expansion	➢ Dubai Investments inked deal with Marjan to open mixed-use beachfront resort and residential development worth of AED 1bn on Al Marjan Island. ➢ Dubai Investments announced real estate sector handovers worth AED 3.5 billion in H2 2021 ➢ Dubai Investments Real Estate(DIR) announced completion of Al Multaqa Avenue in Mirdif Hills. ➢ Al Mal Capital REIT inaugurated REITs trading on Dubai Financial Market (DFM). ➢ Emirates Building Systems completed 4 Expo 2020 pavilions worth more than AED 23 million. ➢ Emirates Building Systems rewarded with new projects in Sharjah, Pakistan, Ghana and Algeria. ➢ Emirates Building Systems completed the Malicounda Power Plant in Senegal Africa. ➢ Dubai Investments Park announced increased power generation capacity with 7th energized DEWA substation. ➢ Emicool announced the completion of Phase 1 of AI enabled cooling plant delivering a total of 60,000 TR to Dubai Expo 2020. ➢ Emirates Glass announced winning new projects in Egypt. ➢ Globalpharma announced the inauguration of the first herbal manufacturing line to produce MG21 in collaboration with Al Fujairah Healing. ➢ Globalpharma announced the relaunch of two medicines – Emilok - used for the short-term treatment of ulcers and Gloxib – a painkiller. ➢ Globalpharma signed contract with Nigerian distributor to commence sales in Nigeria.
Recognition and Awards	➢ Dubai Investments awarded for 'Best Governance' and 'Responsible Investment' from the Global Good Governance Awards. ➢ Dubai Investments received the Global Business Outlook 2021 award for Best Investment Company. ➢ Dubai Investments climbed to the 4th place in the ESG ranking of Dubai Financial Market(DFM). ➢ Emirates Glass awarded Best Glass Processor 2021- Middle East by MEA Markets magazine. ➢ Emirates Glass Project – Five Jumeirah Village – received Best Tall Building Award of excellence at the council on Tall Buildings & Urban Habitat. ➢ Emicool conferred with Dubai Chamber CSR award for sustainability and retention practices. ➢ Emicool received Global Certificate of Compliance from GC-Mark.

(j) A statement of the transactions carried out by the Company with Related Parties during the year 2021 that are equal to (5%) or more of the Company capital.

Please refer to item 3(h) (ii) above.

(k) Emiratization

The Emiratization percentage in the Company as of **2019, 2020, 2021** is:

2019	15.00%
2020	16.90%
2021	15.80%

(l) Innovative Products and Initiatives

- Emicool integrated artificial intelligence (AI) into Command Control Centre (CCC) as part of a wider plan to apply digital transformation to its operations.
- Emicool upgraded customer transactions to digital modes with the implementation of Emivalve service.
- TechSource adopted 'Cloud First' IT strategy aligned to the digital transformation of DI with migration to Office 365 cloud and others enhancing user experience.
- TechSource upgraded the datacenter to accelerate digital transformation across the group.
- Techsource confirmed kicking off ERP transformation project across the group.
- Emirates Glass installed Glaston Jumbo Series high performance flat tempering line to provide high-quality, larger tempered glass that is up to eight meters in height.
- Emirates Glass produced the first hybrid glass unit reducing glass insulating capacity by 3 times.
- Emirates Glass added Emicool DSR series to the high performance, "low-E" glass product range.
- Emirates Glass confirmed as an authorized Dealer of Feather Friendly® Bird Collision Technology.
- Globalpharma installed a separate centralized database server in Quality Control for advanced analysis and test results.
- Globalpharma installed a fully automated high-speed blistering and cartoning machine in the packaging line.
- Gulf Dynamic Services (GDS) and LABTEC introduced one fully automated wood cutting machine & two router machines in the factories to increase efficiency.
- Gulf Dynamic Services (GDS) and LABTEC increased production output and enhanced manufacturing quality with the new CNC machinery.
- Saudi American Glass released a product in the fire rated glass series called K-lite NAAR 60 with a 60-minute fire rating capacity.

Signed:

Mr. Abdulrahman Ghanem A. Al Mutaiwee
Chairman of the Board of Directors
Date: 10th March 2022

Mr. Khaled Mohamed Ali Al Kamda
Chairman – Audit Committee
Date: 10th March 2022

Mr. Ali Fardan Ali Al Fardan
Chairman – Nomination & Rewards Committee
Date: 10th March 2022

Mr. Saderuddin Panakkat
Chief Internal Controls Officer
Date :10 th March 2022

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

Seal of the Company

Dubai Investments

Sustainability Report 2021

Welcome

Welcome to our 2021 Sustainability Report. Spanning January 1 to December 31, it details our Environmental, Social and Governance (ESG) progress across our material issues and strategic focus areas: integrity, economic impact, responsible operations, natural resources, workforce, stakeholder relationships and communities. We also provide an update on our overall approach and procedures, alongside future commitments. The report covers both Group holding and eight subsidiary businesses: **Al Mal Capital, Dubai Investments Park, Dubai Investments Real Estate Company, Emirates Building Systems, Emirates District Cooling Company (Emicool), Emirates Float Glass, Emirates Glass and Globalpharma** . In reporting for these subsidiaries, we demonstrate impact across a range of sectors, from real estate and financial services, to manufacturing and pharmaceuticals. We will continue to expand our reporting scope to incorporate all Dubai Investments subsidiaries over the coming years.

Our Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Standards: Core option. The GRI Content Index can be found at the end of the report in the Appendices. Additionally, as a responsible corporate citizen, we believe we have a significant role to play in meeting the United Nations' Sustainable Development Goals (UN SDGs) and we have therefore mapped our GRI disclosure with the SDGs. Finally, the report reflects our commitment to support the United Arab Emirates' (UAE) Vision 2021 UNPRI, WFE- ESG Guidance, DFM ESG, Dubai Plan 2021 and UAE Vision 2021.

We welcome all feedback or questions related to this report. You can connect with us on:

Twitter: @dxbinvestments

Facebook: @Dubaiinvestmentcompany

Instagram: @dubaiinvestmentsdxb

LinkedIn: Dubai Investments PJSC

Phone: +971 4 8122400

Email: info@dubaiinvestments.com

A Word from our CEO

Despite the unprecedented times that are upon us, our society continues to strive and face the challenges resulting from the ongoing COVID-19 pandemic.

At Dubai Investments, we are dedicated to progressing and growing responsibly in our business. In these times filled with uncertainty, we maintain our mission in providing services and resources that supports our customers, employees and communities in their lives. Alongside the UAE government and our various partnerships, we have led and supported relief efforts and we continuously strive to find innovative means to serve our stakeholders.

We always aim to utilize tools such as financial engineering, sound corporate citizenship, network of relationship and financial resources to enhance and add value to our investment portfolio. Since 1995, Dubai Investments has been operating in a variety of sectors in the UAE and has continued to invest in sectors with a significant potential in terms of growth in the Middle East, simultaneously delivering value to stakeholders.

In our 2021 Integrated Report, we would like to highlight the outcomes of our sustainable business strategy in generating and maintaining economic development as well as meeting the needs of our local community throughout the ongoing pandemic. We also want to shed light on our ESG goals and the different programs we have undertaken in 2021, along with the initiatives we have participated in to help minimize any negative consequences from our activities on the environment or community.

We are aware that we have an important role to play in striving towards and attaining the national UAE Vision 2021 agenda and the Dubai Plan 2021 as well as international initiatives such as the Sustainable Development Goals (SDG's). We have set our own sustainability objectives and targets in line with both the national and international guidelines. Within this report, we have mapped our focus areas with the SDGs with regards to operation.

Lastly, I would like to recognize and thank all our investors, customers, employees and other stakeholders for trusting us throughout these challenging times. We, at Dubai Investments, are directed and motivated by our vision, missions and values. While ensuring that we comply with the best-class governance practices, operate responsibly and offer a safe and rewarding work environment for all our employees, we will continue to create positive impact for all our stakeholders.

Khalid Bin Kalban
Vice Chairman & CEO of Dubai Investments

01: Dubai Investments

A Mission-Driven Business

A leading UAE-based investment company, in 26 years has become a major player in the economies of Dubai and the wider UAE, currently listed on the Dubai Financial Market, with 15,944 shareholders and a paid up capital of AED 4.25 billion at the end of 2021.

MISSION	Our mission is to add value and expand our investment portfolio through sound corporate citizenship, financial engineering, network of relationships and financial resources.
VISION	Our vision is to provide impeccable quality by delivering superior management performance and top of the line services to our investors. An integral part of this vision is delivering superior returns to our shareholders, consistent with our pre-defined risk profile and comparable to other best-in-class corporations. We strive to increase the value of our business while maintaining high ethical values and a commitment to the development of society through integrity and fair business practices.
VALUES	Ethics, Integrity, Accountability & Ownership, Work Excellence, Human Capital Asset and Innovation

At a Glance

We are driven by clear mission, vision and values. Through our subsidiaries, we empower communities and drive positive growth across all fronts. This includes delivering attractive returns to shareholders and supporting innovation, determination, and excellence. With a resilient business strategy, a stable financial position and a committed management team, we have become a reliable growth driver for real estate, building materials and construction, financial investments, healthcare and education among others.

An entrepreneurial mindset combined with a strong financial track record have enabled us to grow our portfolio to over 35+ subsidiary & associate companies under Dubai Investments Group, as we pursue our expansion plans within new sectors and geographies. **Know more about Dubai Investments.**

Subsidiaries covered by this report

This year we have extended our boundary and performance reporting to eight of our subsidiaries in addition to Dubai Investments. The subsidiaries in focus include Al Mal Capital, Dubai Investments Park, Dubai Investment Real Estate, Emirates Building Systems, Emirates District Cooling Company (Emicool), Emirates Float Glass, Emirates Glass and Globalpharma.

Al Mal Capital is a diversified investment company that provides a wide range of investment products and services for institutions, banks and high net worth individuals. Its services include Investment Banking, Brokerage and Asset Management.

Dubai Investments Park, established in 1997, is a unique, self-contained mixed-use industrial, commercial, and residential complex with a total area of 2300 hectares. Dubai Investments Park is a premier residential and business destination. It is a city-within-a-city offering world-class infrastructure and exceptional facilities and services.

Dubai Investments Real Estate company is a leading real-estate and property developer with a proven record of delivering high quality, residential, commercial, and industrial assets. The company was established in 2006 with a mandate to build a portfolio of developments that offer long-term investment in the UAE real estate market.

Emirates Building Systems Co. LLC (EBS), established in 1997, is one of the leading manufacturers of steel structures in the Middle East, along with being the market leader in the UAE with significant presence across the Middle East and Africa. EBS designs, manufactures and erects premium quality steel structures. The company's portfolio includes several world-class, prestigious steel building projects.

Emirates District Cooling (Emicool), , is a leading district cooling service provider in the UAE. Emicool offers district cooling services at key locations and communities across Dubai, including Dubai Investments Park (DIP), Dubai Motor City, Dubai Sports City, Midriff Hills, Palazzo Versace & D1 Tower, DWTC (Expo 2020), Jumeirah Bay, DAMAC Hills, Al Taif Business Centre and RTA 2020 Route.

Emirates Float Glass, established in 2009, is the first state-of-the-art integrated float glass facility in the UAE. The hi-tech manufacturing unit holds a production capacity of over 190,000 tons of glass products per year and supplies top-quality float glass for architectural and automotive industry applications.

Emirates Glass LLC, established in 1997, is one of the largest processors of flat architectural glass in the Middle East. It is producing high performance, energy-saving, reflective coated glass and a wide range of sputter-coated, solar-control and thermal insulation glass products.

Globalpharma, was established in 1998 and is considered as a market leader in key generic pharma segments with a strong regional presence. The manufacturing facility covers an area of 27.000 m2 and the annual capacity of the plant includes the production of 300 million tablets, 150 million capsules, and over 7 million litres of dry syrup and liquid.

2021 Highlights

AED 3.42 bn revenue

24
Sustainability champions
nominated and trained

Culture Committee
established

Ethical governance
Board review commissioned

16%
reduction in direct GHG emissions (scope 1)

44%
of water recycled or reused

72%
local suppliers engaged

7900+ hours
in HSE training delivered

12.5%
of managers are females

AED 1.74m
community investment

02: How we approach Sustainability

In today's changing world, stakeholders expect corporations to take a responsible position and concerted action to tackle social and environmental challenges. At Dubai Investments, we are committed to contributing to all 17 SDGs and to the UAE Vision 2021. Sustainability is integral to our business activities, from strategic planning to daily operations.

Stakeholder Engagement

Positive relationships with our stakeholders are critical to our sustainable growth, reputation and license to operate. Recognising that global challenges – and in turn stakeholder concerns – are continually evolving, we engage with our key stakeholders on an ongoing basis, as a part of our reporting and strategic planning. This dialogue is a key component in our work to identify and assess material issues and strategic focus areas, including the validation of key risks and opportunities, designing sustainability programmes and enhancing communication.

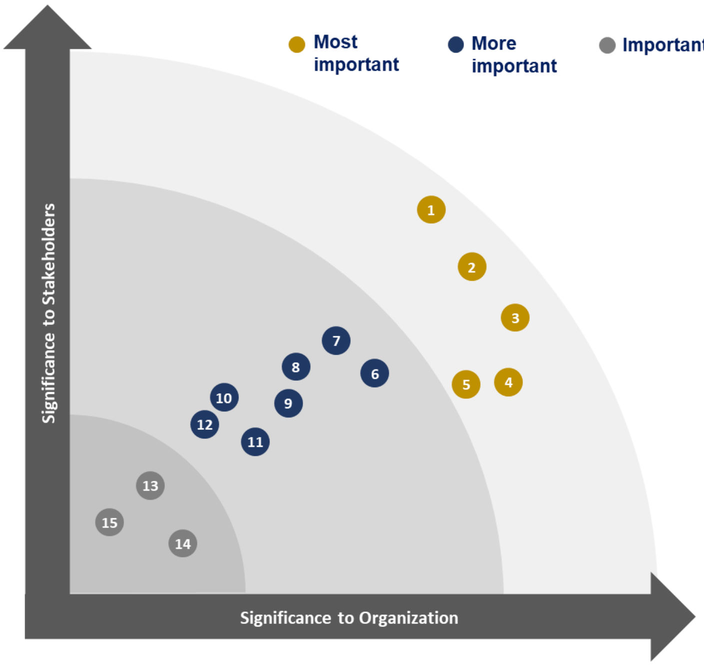
The main stakeholder groups we regularly engage with are shareholders and investors, customers, employees, regulators, local communities and suppliers or partners. We use a range of communication channels to listen to and gauge feedback. Please refer to Appendix A for our detailed Stakeholder Map.

Materiality

In our last materiality assessment, conducted in 2020, we engaged closely with key stakeholders, while also analysing approaches of peer companies. In 2021, we re-evaluated our material issues to ensure they reflect latest sustainability risks and opportunities by relevance and impact. This involved:

- reviewing internal and external stakeholder engagement information and data, global reputation research, employee feedback and feedback from investors.
- desk-based research on the prominence of issues across other external inputs including media scan results, NGO issue monitoring, GRI and Sustainability Accounting Standards Board (SASB) reporting guidelines, SDGs, Dow Jones Sustainability Index (DJSI), UNPRI, World Federation of Exchanges (WFE), Dubai Financial Market (DFM), ESG Guidance and UAE Vision 2021.

The ESG impacts of the industries we invest in are considered in the materiality matrix below which highlights the importance of these impacts for our operational and financial sustainability. The matrix ranks issues according to their importance to stakeholders and their influence on our long-term sustainability performance.



Material Topic	Rank
Governance and Compliance	1
Climate Change and Energy Management	2
Innovation and Digitisation	3
Health and Safety	4
Talent Attraction, Retention and Development	5
Economic Performance	6
ESG Investing	7
Efficient Use of Water	8
Efficient Use of Raw Materials	9
Customer Experience	10
Greener Buildings	11
Diversity and Inclusion	12
Sustainable Sourcing	13
Biodiversity	14
Community Engagements	15

Strategic Focus Areas

Seven important pillars define our sustainability approach: A Company with Integrity, Amplifying Economic Impacts, Operating Responsibly, Protecting Natural Resources, having a Strong Workforce, maintaining and developing Valuable Relationships and Supporting our communities.

We are always working to implement programs and initiatives to meet our objectives and goals set out in each pillar.

Furthermore, we have a Corporate Culture Committee which was formed to assist in the pursuit of cultural goals that are consistent with our corporate principles.

03: Integrity and Economic Contribution

Providing unsurpassed quality to our investors by delivering excellent management performance and top-notch services is a fundamental part of our vision at Dubai Investments. We aspire to grow the value of our company while upholding high ethical standards and a commitment to societal development via honesty and fair business practices.

A Company with Integrity

We strive to uphold the greatest standards of corporate governance and to fight tirelessly to combat financial crime while safeguarding human rights. At Dubai investments we are dedicated to managing and conducting our business with the highest forms of responsibility, integrity as well as transparency

Material Issues Covered	Governance and Compliance
Sustainable Development Goals	10 REDUCED INEQUALITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Ethical Governance

We adhere to the highest ethical behaviour and sustainable governance principles that ensure maximizing shared value for all of our stakeholders. We consider timely publishing of our Corporate Governance Report to be a form of promoting openness and accountability. All of Dubai Investments' and all of our subsidiaries' operations and activities showcase high ethical behaviour as well as constant dedication to high ethical standards.

We have competent Board of Directors, comprising of six independent non-executive directors who assist in maintaining high corporate governance standards and stakeholder confidence while increasing long-term business value. The Board of Directors has substantial expertise in real estate, aviation, manufacturing, finance, investment, private equity, hospitality, and economics. This diverse expertise provides leadership, strategic guidance and independent opinions to Dubai Investments management.

The Board meets on a regular basis to examine inter alia the corporate governance framework, business plans and organizational structure in order to ensure that they are up to date while meeting the highest standards. In 2021, the Board met five times with an attendance rate of 100%. We continued to conduct all Board and Committee meetings, briefing training and Board Development Programmes online due to the ongoing Covid-19 pandemic. Board members conducted an individual self-evaluation to identify areas in which they believed they could add more value to their roles and responsibilities.

We strongly believe in encouraging women's participation in all levels of the business. While we do not yet have female representation at Board level, we continue working towards a gender balance at leadership level.

1.1 Board of Directors GRI 102-18	2019	2020	2021
Percentage of Board seats occupied by women	0	0	**0**
Percentage of Board seats occupied by independent directors	85.71	85.71	**85.71**
Executive members of the Board of Directors	1	1	**1**
Non-executive members of the Board of Directors	6	6	**6**
Female members of the Board of Directors	0	0	**0**
Male members of the Board of Directors	7	7	**7**
Independent members of the Board of Directors	6	6	**6**
Non-independent members of the Board of Directors	1	1	**1**

Audit Committee

The Audit Committee's responsibilities include reviewing annual and quarterly financial statements, evaluating the effectiveness of the internal control system, reviewing related party transactions, managing conflicts of interest, assessing the effectiveness of the implemented Enterprise Risk Management and examining the adequacy of insurance coverage and the status of legal disputes.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for verifying the independence of the board members, evaluating, and approving the human resources policies, reviewing the board's self- evaluation forms and board members' self-assessments forms and assessing the policy for remuneration and benefits for Dubai Investments' board of directors and executive management.

Committee for Management and Supervision of Insider Trading

In 2021, we reconstituted the Committee, which is responsible for maintaining a comprehensive register for all insiders and submitting statements and reports for the market.

Risk Management Committee

Risk Committee is in charge of overseeing the Company's risk management efforts. The Committee reports directly to the Board of Directors and ensures that systems are in place to measure, monitor, manage and reduce material risk exposures, including appropriate policies, procedures and controls.

Investment Committee

Investment Committee reviews/approves Investment and divestment proposals for all direct investments and recommend proposals for the Board approval. IC is also responsible for Treasury investment activities undertaken by the Company which include Investments in Listed Equities, Quoted Fixed Income, Alternative Investments, Unquoted Equity Securities

In 2021, we appointed independent consultants, Protiviti, to evaluate the structure, role, monitoring and functioning of our Board of Directors. This work involved survey and engagement with non-executive and executive Board members and online meetings with Directors. The remediation plan and roadmap were presented to Nomination & Rewards Committee for implementation, with below recommendations:

Board Structure (including Committees)	Composition and constitution, diversity, duration, efficiency
Board's Role	Corporate Strategy, Data and Digital initiatives, Delegation
Monitoring & Interventions	Integrity and robustness of financial, strategic and operational controls
Dynamics & Functioning	Annual Board Calendar, Board agenda and notice, participation of Board

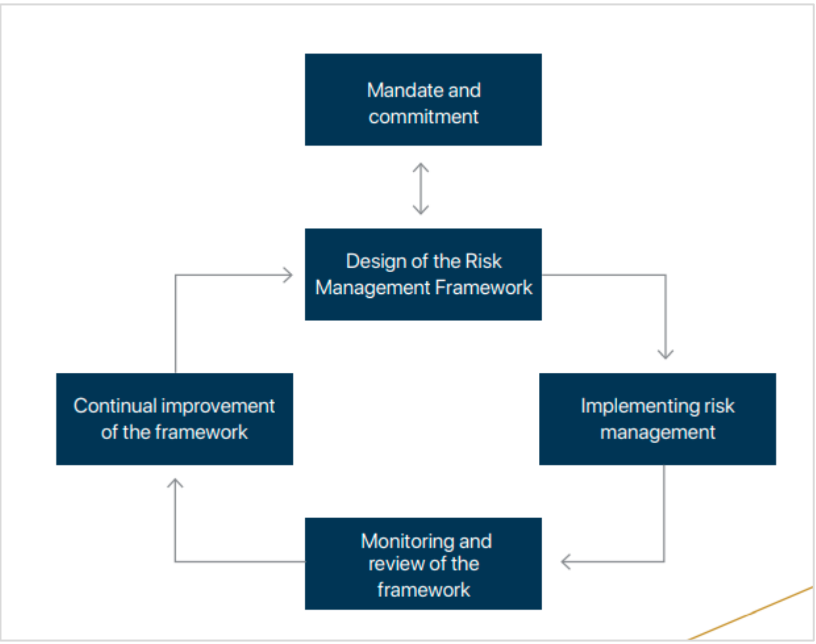
Enterprise Risk Management

The Board of Directors defines and approves our corporate risk appetite. The Risk Management Committee, which reports directly to the Board of Directors, is in charge of overseeing risk management operations inside the organization. This committee ensures that procedures for measuring, monitoring, and mitigating material risk exposures are in place.

The Group Risk Function (GRF) employs an Enterprise Risk Management framework to maximize shareholder returns while maintaining a balanced viewpoint of risk and reward in accordance with the established risk appetite. The GRF provides organised and formal Risk Management capabilities to all sub-holding companies, subsidiaries, joint ventures, and associates. An adequate and reasonable risk management method is used to identify, analyse, manage, and monitor critical risks. The risk management method also aids in assessing possible threats associated with Dubai Investments Group prospects.

Annually, GRF is subject to a review by the Group Internal Audit department. Such review seeks to provide assurance to the Audit Committee and the Board as regards the effectiveness of the risk management processes, procedures etc. adopted by the GRF.

Code of Conduct



Our corporate values of Ethics, Integrity, Accountability & Ownership, Work Excellence, Human Capital Asset and Innovation are critical to winning stakeholder trust in an increasingly strict regulatory environment as well as to our business growth. These ideals are translated into professional standards and anticipated employee behaviour through our Code of Conduct. It is backed up by policies, procedures and processes that assure legal compliance and address issues like conflict of interest, lending and borrowing, confidentiality and anti-money laundering. We also have a grievance policy and procedure in place to allow employees to report any work-related complaints without fear of reprisal. Moreover, we adopt an Ethical Business Practices policy to create a culture of mutual respect, safety, fairness and trust across all workplaces and partnerships. The Code applies to all members of the Board of Directors and to all full and part-time employees of Dubai Investments and our subsidiaries. We also expect our business partners to meet the same high standards when working with us, or on our behalf.

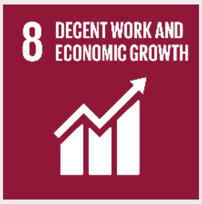
Sustainability Governance

Sustainability is overseen by senior leaders from key functions of the company. The Sustainability Committee is headed by the General Manager of Dubai Investment Industries and consists of other senior leaders from Operations, Projects, Human Resources (HR) and Marketing. The Committee develops action plans and assesses our sustainability strategy on an ongoing basis. It also supervises a special task force for implementation and monitoring of programs and ultimately achieving the targets.

In 2021, the Committee nominated and trained 24 Sustainability Champions from each subsidiary as part of its work to develop a new corporate sustainability strategy. Other highlights included delivering plastic and e-waste recycling initiatives with new recycling centres set up in local communities, establishing a Junior Leadership programme, a Young Investor Competition to improve financial literacy amongst young people, delivering a Blood Donation Camp, rolling out Yammer – a social platform for internal communication and launching Express Your Love For UAE, a competition for young people to celebrate the UAE's 50th National Day.

Amplifying Economic Impacts

As a leading investment company with 26 years in the region, our presence has brought multiple wider economic benefits to the UAE, supporting the nation's Vision 2021. We aim to maintain our growth through diverse income streams and high levels of efficiency, while ensuring capital reserves can absorb any losses and that we comply with all regulations and adapt to adverse operating conditions.

Material Issues Covered	Economic Performance
Sustainable Development Goals	

Performance

In 2021, total revenue was AED 3.42 billion, a 27.61% increase from 2020. Operating costs were higher by 27.14 %, while net profits to shareholders were AED 619.49 million. Growing our wide range of businesses and investments means we are able to make a vital contribution to UAE knowledge, innovation and sustainable development.

Economic Performance[1]	2019	2020	2021
Revenues (AED '000s)	2,880,019	2,676,336	3,415,342
Operating costs (AED '000s)	1,730,583	1,784,942	2,269,356
Donations and sponsorships (AED '000s)	1,455	1,451	1,740
Donations and sponsorships as % of pre-tax profit	0.22%	0.42%	0.28%
Net profits attributable to shareholders (AED '000s)	657,419	347,550	619,487

[1] The amount presented covers Dubai Investments and its subsidiaries.

04: Responsible Operations and Natural Resources

Responsible and sustainable business practices enhance our business growth and help us meet stakeholder expectations. We are dedicated to achieving excellence and eco-efficiency in our operations and we embrace technological and digital innovation to enhance the customer experience.

Operating Responsibly

We are proud of the standards of excellence we uphold for our operations. These standards are underpinned by the latest technologies and digital innovation, helping us deliver products and services that align with our values and sustainable growth. We also ensure ESG screening of our investments.

Material Issues Covered	Greener Buildings ESG Investing Innovation and Digitisation
Sustainable Development Goals	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Greener Buildings

We recognise the global challenge of achieving a sustainable built environment. It is why we incorporate green building principles into the design, construction and retrofit of developments. Our green building principles policy supports subsidiaries to address energy and water efficiency, pollution prevention and indoor air quality and to attain certifications from third party organisations. Our aim is for all real estate portfolio companies to incorporate green building principles by engaging their contractors and suppliers.

In 2021, Dubai Investment Park took further steps to become one of the most environment-friendly developments in the region. These included a new cardboard recycling system for commercial tenants, reducing the power input of lighting fixtures, adding more light and ambient temperature sensors in common areas and installing pool filtration pumps that are up to 40% more efficient.

Meanwhile, our Real Estate subsidiary has set strategic parameters that consider weather changes, while improving quality of living. It has also incorporated more long-living trees and plants in landscaping and initiated a recycling tender to replace landfill disposal. Employee and contractor environmental awareness was a key priority in 2021. At EBS, a subsidiary certified to the ISO 14001 environmental management standard, further campaigns and awareness sessions were delivered on environmental management and pollution prevention. Emirates Glass continued to enhance its insulation technology by introducing highly innovative jumbo glass processing technologies that are specifically designed to temper high performance coated glass with lowest emissivity and highest quality.

We adhere to global sustainable standards and strive to become a one-stop sustainability provider of end-to-end goods and solutions that will help creating smart cities in the near future. We plan to implement ideas and techniques to promote our mission of advocating sustainability, as well as to expand our present line of innovative sustainable goods from our subsidiaries

ESG Due Diligence in Investments

ESG factors are integrated within our business based on guidance from our regulators. Our ESG due diligence policy outlines our approach to evaluating ESG risks in our prospective acquisition processes. These include potential liability risks. The policy applies to all proposed acquisitions where Dubai Investments seeks to hold 100% ownership.

Innovation and Digitisation

Innovation is a core Dubai Investments value and technologies remain critical to our business excellence and sustainable growth. With the ongoing Covid-19 pandemic in 2021, digital solutions have supported our remote working policy, enabling employees to adapt to new ways of working and to ensure business-as-usual across our operational processes. Also, during the year, we introduced automated internal job postings, launched an employee suggestion box and introduced a survey to measure employee engagement.

We have deployed technologies to monitor energy and water consumption, helping us to identify where we need more energy-saving fixtures, water arresting systems, smart building management systems and new monitoring systems and sensors that reduce carbon footprint. At Emirates Glass, for instance, e-documentation systems now apply to all activities, while Al Mal Capital has adopted new digital approval processes.

Information Security

Dubai Investments has a long journey with digitalization, where it has always been at the forefront when it comes to adopting new technology platforms and maintaining necessary security precautions. In terms of Information Security practices, the company is aligned with the ISO 27001 standards to protect Information infrastructure from any cyber threats such as hacktivism and cybercrime. Besides that, Dubai Investments is also working towards adopting good practices from the UAE National Electronic Security Authority (NESA) and Dubai's Information Security Regulations (ISR).

A set of Information Security Assurance standards have been developed to raise the minimum level of protection of Information assets and to support systems across all Dubai Investments Group. These standards aim to:

- Enable a priority-based approach for the implementation of standards
- Serve as a reference catalog for common information security controls to defend against common threats that exploit Information system vulnerabilities.
- Establish a phased implementation approach to address the most common threats and facilitate a step-by-step adoption of the standards.
- Act as an enabler to support common and unified standards across the group

Success Story:

EMICOOL STRENGTHENS DIGITAL TRANSFORMATION WITH REMOTELY CONTROLLED PROCESSES

Emivalve, a remotely managed mechanism that allows for immediate connection and disconnection using an automated centralized program, is undergoing a phased deployment by Emirates District Cooling (Emicool) LLC. Emicool has teamed with AIUT, one of Europe's top system integrators which is based in Poland, to create Emivalve. AIUT provides technologically sophisticated solutions in automation and robotization of manufacturing processes, IT and the Industrial Internet of Things (IIoT).

One of Emicool's key aims in 2021 was to upgrade client interactions to digital modes, which includes expediting services and transactions without the need for a physical presence at a branch. Emicool and Aquacool have successfully integrated the Emivalve service in approximately 15% of their projects, and the company plans to apply it in all existing and future projects, aiming for 100% automation.

Success Story:
EMICOOL ENTERS R&D COLLABORATION WITH SIEMENS Emirates District Cooling (Emicool) and Siemens, a leading technology company, announced a collaborative partnership with the intention of developing various initiatives promoting energy saving measures and solutions in order to strengthen sustainability and drive economic and environmental benefits across Emicool facilities. The planned solutions will focus on sustainability and digitalization technologies, such as the introduction of energy audits at Emicool facilities to identify savings potential and investigate areas of improvement throughout the plants. Increased energy efficiency via the optimization of technological solutions will result in educational, environmental, and economic benefits to the community. Emicool's cooperation with Siemens will enable the smooth facilitation and maintenance of services and solutions integrated into the district cooling plant, extending an already excellent relationship.

Protecting Natural Resources

We are committed to contributing to national and international efforts to preserve natural resources. This includes efforts to minimise our atmospheric emissions, energy and water consumption and waste, whilst embracing a circular economy and protecting biodiversity.

Material Issues Covered	Climate Change and Energy Management Efficient Use of Water Efficient Use of Raw Materials Biodiversity
Sustainable Development Goals	

We seek to exceed compliance by setting higher environmental standards. Our Environmental Management System (EMS) is certified by recognised third party agencies and our higher-impact subsidiaries (Emirates Glass, Emirates Float Glass, Emicool, and Emirates Building Systems) hold ISO 14001 certification.

Climate Action

We are continually finding new opportunities to reduce our energy consumption and increase renewable generation – both as a Group and at subsidiary level. In 2021, Emicool delivered more energy-efficient district cooling, exceeding customer expectations and contributing to the economic success of our partners and stakeholders. Emirates Float Glass launched an energy management policy, alongside adding high-tech cooling fans and more LED lighting across its sites, while Dubai Investments Real Estate introduced low-energy lighting, solar streetlights and improved BMS and smart chilled water pumps. At Emicool, a solar wall project was initiated at head office, adding to solar already being deployed at three of its plants that generate more than half a million-kilowatt hours of green energy. It also began a research and development collaboration with Siemens to develop energy saving solutions.

Emirates Glass installed 4,400 solar panels on its factory roof that will generate 2,800 megawatt hours of energy annually and avoid approximately 1,200 tonnes CO2 emissions which is equivalent to planting 30,000 trees. Dubai Investments Real Estate is currently working on an initiative to install a 1.8-2 kWh solar power plant in Ritaj, which will be one of the largest solar plants in Dubai built on private property.

As a Group, we observed global Earth Hour with a lighting switch-off campaign among employees and the addition of 12 recycling centres, in collaboration with Imdaad.

Success Story:

DUBAI INVESTMENTS TEAMS UP WITH TOTALENERGIES TO POWER ITS GLASS FACILITIES WITH RENEWABLE ENERGY

Dubai Investments has reinforced its relationship with TotalEnergies by installing photovoltaic (PV) rooftop systems on its Emirates Glass and Lumiglass Industries facilities in the UAE, encouraging the usage of solar energy.
The solar panels installed on the two glass production plants will cut CO2 emissions by around 1,200 tonnes per year, which is comparable to planting nearly 30,000 trees.

The 1.2 megawatt-peak (MWp) solar rooftop system, consisting of around 3,000 PV panels, is estimated to provide more than 1,900 megawatt-hours (MWh) each year. The power generated by the solar roof top will meet about 19% of the energy demands of the Emirates Glass facility.

Energy Consumption[2]	2019	2020	2021
Total m3 of space across all facilities	593,700	556,577	548,643
Total electricity consumption (kWh)	356,579,392	393,137,312	446,492,032
Total diesel consumption (litres)	3,430,378	3,927,685	3,277,141
Total petrol consumption (litres)	140,781	102,999	84,114
Energy consumption from electricity (GJ)	1,283,686	1,283,999	1,607,371
Energy consumption (GJ) Petrol and Diesel	136,070	153,846	128,303
Total energy consumption (GJ)	1,419,756	1,437,845	1,735,674
Energy intensity (GJ per m3 of space)	2.39	2.58	3.16

[1] Energy consumption was calculated as per U.S. Energy Information Administration (EIA)

Emissions[3]	2019	2020	2021
Direct (Scope 1) GHG emissions in tonnes of CO2 equivalent	9,546	10,796	9,003
Indirect (Scope 2) GHG emissions in tonnes of CO2 equivalent	241,048	265,761	301,829
Other indirect (Scope 3) GHG emissions in tonnes of CO2 equivalent	976	988	1,261
Total GHG emissions in tonnes of CO2 equivalent	251,570	277,544	312,093
GHG emissions intensity[4] (tonnes of CO2 equivalent per employee)	171.6	192.5	204.9

[3] Emissions from energy consumption was calculated using emission factors provided by UK Government GHG Conversion Factors for Company Reporting
[4] Emissions Intensity was calculated for Scope 1 and 2 only,

Total GHG emissions in 2021 were 203,247 tonnes of CO_2 equivalent. Emissions intensity increased to 204.9 tonnes of CO_2 equivalent per employee, mainly resulting from the increase of electricity consumption at Emicool. From Emirates Building Systems, we saw a 18% decrease in GHG emissions. Moreover, Emicool is on track to convert 100% of its fleet to electric cars by 2024.

Water Efficiency

Operating in a region of the world that is exposed to water scarcity risk, we are taking proactive steps to reduce our water footprint and reuse water where possible. In 2021, our Globalpharma subsidiary downsized its reverse osmosis system from 3,000 to 500 litres per hour, avoiding significant quantities of wasted water. At Emirates Glass, systems were installed to reuse non-hazardous wastewater for irrigation purposes and Emirates Float Glass did the same for its industrial and effluent water treatment. Emicool continued to optimise cooling tower water cycles to reduce its freshwater consumption.

We continue to monitor waste water at our three higher-impact subsidiaries: Emirates Glass, Emirates Float Glass and Emicool.

Water Consumption	2019	2020	2021
Total water consumption (m3)	3,014,539	3,283,592	2,294,131
Total volume of water recycled and reused by the organisation (m3)	494,682	1,078,464	1,548,977
Water consumption intensity (m3 per employee)	3,079	3,354	2,343

In 2021, total water consumption decreased by 30% compared to 2020. Water recycled and reused has increased to 43% in comparison to 38% in 2020.

Materials Efficiency

As well as energy and water, other raw materials are involved in our manufacturing processes. We are committed to the safe and efficient use of these resources, and we recycle wherever possible.

Effluents and Waste	2019	2020	2021
Total weight of hazardous waste (tonnes)	15,305	15,475	10,240
Total weight of hazardous waste reused (tonnes)	19	19	11
Total volume of wastewater generated (m3)	11,170,380	17,867,761	16,452,234
Total volume of wastewater reused (m3)	10,569,524	17,762,574	16,913,376

Around 95% of hazardous waste generated at the group subsidiaries came from Globalpharma, which is mainly 'Pharmaceutical Waste'. This type of waste is generated whenever a raw or packaging material, semi-finished, finished or imported products get rejected due to expiration or failure of testing, retesting or examination. The waste follows a strict disposal process, conducted on a quarterly basis through approved and authorized External Service Provider (ESP) and after taking the necessary disposal permits from Ministry of Health (MOH) and Dubai Municipality (DM). The 'Pharmaceutical Waste' is safely transported to a treatment station in the UAE, treated and disposed of through incineration as per the approved guidelines from the Ministry of Climate change and Environment and based on the Federal Law No 12 of 2018 on the integrated waste management. The final disposal certificate is also obtained from ESP.

At Emicool, the volume of wastewater reuse increased by 43% as a result of the existing Reverse Osmosis (RO) plants. Emicool is also launching an RO project for District Cooling Plant 3 which will be completed in 2022.

In 2021, we saw further innovation in materials efficiency across our subsidiaries – from recycling infrastructure improvements at Globalpharma, Dubai Investment Park and Dubai Investments Real Estate, to printing reductions at Al Mal Capital and e-documentation at Emicool. As a Group, we ran a month-long programme of events around World Environment Day when employees brought in used water bottles to be turned into Greenspun® yarn merchandise. Dubai Investments marked International E-waste Day with a month-long e-waste collection campaign that collected 66 kilogrammes of e-waste for recycling.

In 2021's World Environment Day, we launched "Lets Recycle – Lets Recreate" Initiative. A total of 8,136 plastic bottles were collected. Merchandise made from a special fabric called Greenspun yarn which is made from shredded plastic bottles were given.

It's worth mentioning that another initiative was undertaken as part of DI Sustainability Plan 2021 in collaboration with Imdaad to distribute bins for the collection and recycling of paper, plastic, cardboard and cans.

On International E-waste Day, a month-long e-waste collection drive was launched which led to the collection of 66 kg e-waste.

Biodiversity

We monitor the impact of our operations on local biodiversity and we continue to identify areas of improvement. In 2021, Dubai Investment Park planted approximately 950 trees, 56,000 shrubs and 8,000 square meters of grass. Emirates Glass became an authorised dealer of sustainable glass technology proven to reduce bird collision and promote the conservation of migratory birds. As a Group, we supported the Adopt a Tree programme of Emirates Environment Group by planting 200 saplings at a Bee Reserve in Ras Al Khaimah.

05: Workforce and Stakeholder Relationships

Our employees are the heart of our business. We understand that a healthy work environment, as well as adequate opportunities and support, enables individuals to reach new heights in both personal and professional endeavours. We aspire to establish an exemplary workforce by attracting, keeping and developing our staff, with a particular emphasis on increasing nationalisation rate in our overall workforce.

Strong Workforce

Human capital is vital to our business and one of our corporate values. We are proud of our talented workforce and we work hard to attract, develop and retain intellectual capital. We are committed to supporting local employment and to invest in training and skills, all the while ensuring a safe, healthy and inclusive work environment.

Material Issues Covered	Talent Attraction, Retention, and Development Diversity and Inclusion Health and Safety
Sustainable Development Goals	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 10 REDUCED INEQUALITIES

Our growth and success are driven by the knowledge, expertise and contribution of our people. Building a strong and diverse workforce means providing a safe, inclusive and empowering working environment for all. We enable our employees to grow professionally by offering skill development trainings. We have also implemented policies and procedures to help employees understand our business model and operating environment.

In 2021, our total workforce (including eight subsidiaries) was 1,645 employees. Of these, a quarter are within the 23-30 age bracket and 68% are 31-50.

Total Workforce	2019	2020	2021
Total workforce	1,621	1,774	1,867
Full-time employees	1,621	1,774	1,865
Part-time employees	0	0	2
Senior management employees	54	58	70
Middle management employees	151	134	152
Non-management employees*	1416	1582	1645
Trainees and sponsored students	2	2	3

** Restated figures for 2019 and 2020*

During the year, we recruited 258 new employees, with 40% of new hires aged 23-30. Employee turnover for the year increased to 14% from 12% in 2020.

New Hires and Turnover	2019	2020	2021
Total New employee hires	125	176	293
Age 23-30	45	83	126
Age 31-50	77	93	161
Age 51+	3	0	6
Male	93	154	237
Female	32	22	56
Employee turnover	223	216	259
Employee turnover (%)	14%	12%	14%

In accordance with our commitment to diversity and inclusion, our parental leave policy provides 45 days of fully paid maternity leave to female workers in addition to at least one year of continuous service (employees with less than a year of service are eligible for 45 days at half pay). We also provide flexible work schedules for new mothers, with less working hours every day for the first 1.5 years following childbirth. Our paternity leave policy complies with local labour rules, with male employees entitled to five days of parental leave.

Talent Attraction, Retention and Development

We commit to ensuring a fair working environment, where everyone is fairly treated and has the opportunity to develop and realise their potential. We strive to promote a culture where our employees feel motivated, valued and empowered for their unique contribution.

In light of Covid-19, training in 2021 remained online, including a virtual training library in partnership with Solid State Training Solutions. The library includes an innovative educational tool that makes training more interactive and engaging, using animated videos. We also delivered further awareness sessions about Covid-19 during the year.

Some of our subsidiaries offer further bespoke training. For instance, at Globalpharma, a competency framework is the basis of training and development. This involves defining role competencies and integrating them within training, coaching, mentoring and assignments, as well through quarterly and annual talent reviews. In this way, individuals are able to follow a clear path to grow in their roles. At Al Mal Capital, training needs are included in performance management processes in which goals are discussed with the line manager. It also offers a business education policy whereby employees can obtain professional qualifications or higher degrees. At EBS, a training policy operates for developing employee soft and technical skills. Attendance at the training is linked with the employee's performance evaluation.

Training	2019	2020	2021
Total training hours delivered (hours)*	4,174	3,145	4,062
Average training per employee (hours)	6.4	26.4	32.4

Emirates Glass implements a range of mandatory training programmes, including orientation, health and safety and IT. It also offers shadowing and rotations as part of its on-the-job training offer and soft skills development. Emirates Float Glass is gradually evolving its training offer as its HR practices mature, adding e-learning options in 2021. We operate an annual performance review system at Dubai Investments and all eight subsidiaries.

Performance Reviews	2019	2020	2021
Number of employees who received a performance and career development review	927	1,730	1,801
Percentage of employees who received a performance and career development review	99%	98%	96%

** Restated figures for 2019 and 2020*

Diversity and Inclusion

For people to thrive at Dubai Investments, they need to feel included, valued and empowered. At Dubai Investments, we are proud of our inclusive working culture that brings people together under a unified vision, mission and values system. We are an equal opportunities employer and consider candidates for employment regardless of their age, gender, religion or disability.

At the end of 2021, we had 9% female representation in total workforce and 7% representation at middle and senior management level. Each subsidiary works to build its pipeline of female talent. For instance, Emirates Glass is implementing a women-centric hiring drive (paused during Covid-19 but now underway), while Globalpharma has pledged to include at least one female candidate in the shortlist for every recruitment opportunity.

Workforce by Age and Gender	2021
Employees age 20-30	458
Employees age 31-50	1251
Employees age 51+	158
Male employees	1707
Female employees	160
Female employees in middle management	21
Female employees in senior management	7

We believe that open and honest communication is key to a healthy workplace and a welcoming work culture for that we strive to always promote and encourage open communication and provide our people with numerous channels to give their feedback. This includes a whistleblowing policy and a grievance process that allow employees to speak up and voice concerns without fear of retaliation.

Grievances	2019	2020	2021
Number of grievances filed in the reporting period	4	1	2
Percentage of these grievance that are addressed or resolved	100%	100%	100

Health and Safety

We recognised the safety and health risks associated with manufacturing operations and we implement a health and safety management system to prevent injuries and ill-health conditions caused by our operations. We also adopt a risk-based approach to identify the top safety risks and we initiate controls to mitigate them.

Our operational safety management system at Emirates Glass, Emirates Float Glass and Emirates Building System is certified with ISO 45001: 2018, while Emicool adopts OHSAS 18001 occupational health and safety standard. Our safety management system includes a safety policy and procedures from risk assessment and hazard identification to emergency preparedness and incident investigation. We have further policies and procedures to help ensure the safety of our offices and wider facilities.

We deliver regular health and safety training for both employees and contractors. In 2021, this amounted to 7,934 hours of training across six subsidiaries. We also conducted 309 health screenings at four subsidiaries. Our lost-time injury frequency rate increased to 4.20 compared to 3.15 in 2020. The frequency rate of total recordable injuries increased to 20.39 compared to 18.91 in 2020.

Health and Safety	2019	2020	2021
Employee Fatalities	0	1	0
Contractor Fatalities	0	0	0
Employee lost-time injuries	10	11	14
Employee total recordable injuries	65	66	68
Total employee man-hours*	3,121,614	3,489,780	3,334,760
Total contractor man-hours*	908,780	828,388	636,268
Total number of HSE&S audits for contractors	37	27	38
Health screening (number completed)	300	295	309
Employee lost-time injury frequency rate (per million man-hours worked)	3.20	3.15	4.20
Employee total recordable injury frequency rate (per million man-hours worked)	20.82	18.91	20.39
Total hours of HS&E related training	5,571	4,212	7,934

** Restated figures for 2019 and 2020*

We continued to issue monthly Stay Healthy newsletters for employees through 2021 alongside a health check campaign. Our subsidiaries rolled out a number of their own wellbeing initiatives throughout the year, including:

- health checks for all employees at Dubai Investments Real Estate;
- enhanced communication committees to gauge employee wellbeing at Emirates Building Systems.
- Globalpharma delivering employee awareness programmes focused on women, flu vaccination clinics for employees and their families and Men's Day and Women's Day celebrations with online employee involvement programmes; and
- UAE National Day breakfasts and events for religious festivals including Eid, Diwali and Christmas at Emirates Glass.

Valuable Relationships

We work hard to build and maintain positive relationships with all stakeholders. From ensuring outstanding customer experiences, to screening suppliers for social and environmental performance – engagement is ongoing and shapes the successful business that we are today.

Material Issues Covered	Customer Experience Sustainable Sourcing
Sustainable Development Goals	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

We aim to ensure 100% satisfaction among our customers through innovative products and services that go the extra mile to deliver for their needs. Likewise, we engage with suppliers strategically since a robust supply chain is critical to business continuity and risk mitigation.

Customer Experience

In addition to continuously improving product quality and sustainability, we take further steps to improve the customer experience and our own servicing capabilities. For instance, in 2021 Globalpharma ran a number of events with eminent speakers from top tier hospitals on therapeutic disease, while Emicool launched a customer feedback survey, introduced tablets to gather feedback from walk-in customers, recruited a customer satisfaction specialist and improved call centre response. Emicool is now looking to roll out a customer portal project. In parallel, DIP conducted a customer satisfaction survey, showing almost 90% customer satisfaction. At Al Mal Capital, the capital markets system was upgraded to increase productivity and improve the customer experience, while Dubai Investments Park conducted four online customer satisfaction surveys.

Sustainable Sourcing

Our value chain is critical to implementing our sustainability plan, therefore, on a regular basis, we interact with suppliers on sustainability issues. Driving long-term supply chain development needs innovation, efficiency and risk management. We aim to ensure that sourcing practices are followed, as well as to proactively identify and address ESG risks, impacts, and opportunities throughout our direct and indirect procurement operations. We also strive to diversify our supplier network while boosting local businesses.

We are committed to working with suppliers that are aligned with our values, principles and commitment to sustainability. Our sustainable and green procurement policy applies to all entities, suppliers, subcontractors and affiliates working with our company. The policy provides guidance on monitoring, assessing and continually improving sustainability performance. Our subsidiary businesses operate further supply chain due diligence based on their operations. For example, at Dubai Investments Real Estate all suppliers are carefully vetted, including regulatory compliance.

Prior to appointing any service provider, introductory meetings are held with both management and employees. Emicool includes ISO standard checks in its supplier prequalification process and to assess existing vendors. It is currently developing a supplier Code of Conduct. At Emirates Float Glass, supplier evaluation and certification for key procurement categories includes verifying socio-environmental commitments before approving it in the vendor list.

Procurement	2019	2020	2021
Total number of local suppliers engaged	2,069	2,029	1,424
Procurement spending on local suppliers (million AED)	218	339	402
Total procurement spending (million AED)	843	456	563
Proportion of spending on local suppliers (%)	63%	76%	72%

06: Supporting our communities

At Dubai Investments, we are dedicated to supporting the prosperity of the communities where we operate by investing in initiatives aimed at enhancing individual wellbeing. We recognise that our social responsibilities are not limited to our company premises. Beyond the boundaries of our sites, we are active in our neighbourhoods and our corporate social responsibility focus areas have been identified through community engagement to understand local needs.

Community Engagement

While our focus issues remain youth development, innovation and environmental protection, in 2021 we continued to also support projects related to the socio-economic and humanitarian consequences of the Covid-19 pandemic.

Material Issues Covered	Community Engagements
Sustainable Development Goals	

Community Investment	2019	2020	2021
Value of Investment in local community (MILLION AED)	1,220,000	1,500,000	1,740,000
Total number of Volunteers	75	30	47

During 2021, total community giving amounted to approximately AED 1.74 million across more than 40 initiatives at local and regional levels. While the projects are too numerous to cover in detail in this report, main highlights in 2021 were as listed below:

- Organized Junior Leadership Program for 11 – 16-year-old children from various schools which instilled self-awareness, self-appreciation, and self-esteem in children.
- Organized Young Investors Competition to enhance the knowledge of students of business studies about financial literacy and stock investments. Students designed strategies with best return on investments based on case studies. 1200 students from 27 countries participated.
- Organized a school competition called Express Your Love for UAE through Arts for 50th National Day of UAE. 14 schools participated and a display of artworks was organized on National Day.
- Sponsored a student from Rashid Centre for people of determination.
- Supported Dubai Autism Centre.
- Distributed 2500 iftar meals with Beit Al Khair in DIP labour camps during Ramadan.

- Supported Awladouna Centre for People with Disabilities with rent payment
- Sponsored Smile on the Face campaign which distributed iftar meals and toiletries to 2000 blue collared workers across labour camps in Dubai.
- Sponsored Eid clothes for underprivileged children in collaboration with Rawafed Centre.
- Provided Iftar for healthcare frontline workers in collaboration with Kings College Hospital Dubai.
- Partnered with RTA to arrange iftar meals for taxi drivers.
- Provided treatment for children suffering from cancer by sponsoring Children's Cancer Centre
- School fee support was provided to two needy children
- Provided wheelchair, physiotherapy and medical treatment of a child suffering from neuro disorder
- Dialysis support was provided to a needy kidney patient and medical treatment was provided to a needy cardio patient.
- Sponsored an adapted bicycle for UAE National Cycling Team through Emirates Association of Visually Impaired
- Sponsored a program of "Association of Families of Persons with Disabilities" for integrating them in the community
- Supported Faraj Fund for release of four prisoners under financial debt.

07: Appendices

A: Stakeholder Map

Stakeholder Groups	Importance to Dubai Investments	Topics and Concerns	Methods of Engagement
Shareholders and Investors	Our shareholders are an integral part of our successful growth. We continuously provide high-quality services to our investors and create sustainable wealth to maximise shareholders' returns	Economic performance Sustainable wealth creation Risk management Investments in new portfolios Transparency in Corporate Governance	Annual general meetings Corporate Annual Report Official news releases Annual Corporate Governance Report Investalk- quarterly newsletter Investor communication & Disclosure policy
Customers	We invest in diverse sectors to offer our customers sustainable products. Such products include energy efficient glass products, green buildings etc.	Innovative products with sustainable benefits Efficient customer service	Customer service offices Social media channels- Twitter, Facebook, Instagram and LinkedIn
Employees	We believe in professional development of our workforce by training them on various programmes to improve productivity and contribute to enhancing workplace happiness. We always seek to ensure that our employees are working in a healthy and a safe workplace.	Occupational health and safety Career planning and professional development Compensation and benefits Employee welfare Diversity at workplace Equal pay	Health and Safety policy Working Practices policy Training and Development programmes
Government & Regulators	We demonstrate our responsibilities through developing and enhancing the company's transparency and accountability. We are committed to comply with all applicable laws of the land. We are striving to raise our levels of corporate governance in line with the regional and global best practices.	Alignment with national strategies (UAE Vision 2021) Compliance Customer data protection Transparency and Disclosure	Internal control system Compliance unit External audits Insider trading supervision committee Corporate Annual Report Face-to-face meeting with ministries and regulators Participation in forums/ seminars

Local communities	We aim to help people in our local communities who are facing social and economic challenges. We are committed to enhancing competencies of the youth, and continuously promote efficient energy use and environmental protection.	Charitable initiatives to help lesser privileged communities. Social initiatives and programmes to promote health, education, security, sports and culture. Partnerships with other organisation to address social and environmental issues. Initiatives to support entrepreneurial relevant skills.	Health and educational campaigns Employee volunteering Donations to charitable organisations Empowering entrepreneurs Sponsorship and internships to young, disadvantaged people Participation in cultural and national events
Suppliers and business partners	Dubai Investments aims to have strong business relationships across the supply chain. Dubai Investments values its relationships with its suppliers and contractors and is always working on improving this relationship with the objective of improving its efficiency and effectiveness.	On-time payment Integration of ESG criteria in supplier selection process Fair and respectful treatment with suppliers	Supplier surveys Working Practices Policy

A: Data Coverage Table

Economic Performance									
Key Performance Indicator	Dubai Investments	Al Mal Capital	Emirates Glass	Emirates Float Glass	Emicool	Dubai Investments Park	Emirates Building System	Dubai Investments Real Estate	GlobalPharma
Economic Performance									
Revenues (AED '000s)	F	N	N	N	N	N	N	N	N
Operating costs (AED '000s)	F	N	N	N	N	N	N	N	N
Donations and sponsorships (AED '000s)	F	N	N	N	N	N	N	N	N
Donations and sponsorships as % of pre-tax profit	F	N	N	N	N	N	N	N	N
Net profits attributable to shareholders (AED '000s)	F	N	N	N	N	N	N	N	N
Community Investment									
Value of investment in local community (million AED)	F	N	F	N	N	N	N	N	N
Total number of volunteers	F	N	F	N	N	N	N	N	N

Environmental Performance									
Energy Consumption and Emissions									
Total m³ of space across all facilities	N	F	F	F	F	N	F	N	F
Total electricity consumption	N	F	F	F	F	N	F	N	F
Total diesel consumption	N	N	F	F	F	N	F	N	F
Total petrol consumption	N	N	N	N	F	N	N	N	N
Energy consumption from electricity	N	F	F	F	F	N	F	N	F
Total energy consumption	N	F	F	F	F	N	F	N	F
Energy Intensity	N	F	F	F	F	N	F	N	F
GHG emissions	N	N	F	F	F	N	F	N	F
Water Consumption									
Total water consumption	N	N	F	F	F	N	N	N	F
Total volume of water recycled and reused	N	F	N	F	F	N	F	N	N
Water consumption intensity	N	N	F	F	F	N	N	N	F
Effluents and Waste									
Total weight of hazardous waste	N	N	N	F	N	N	F	N	F
Total weight of hazardous waste that is reused	N	N	F	N	N	N	N	N	N
Total volume of wastewater generated	N	N	P19	F	F	F	N	N	F
Total volume of wastewater reused	N	N	P19	F	F	N	F	N	F

Social Performance									
Workforce									
Total workforce	F	F	F	F	F	F	F	F	F
Full-time employees	F	F	F	F	F	F	F	F	F
Part-time employees	F	F	F	F	F	F	F	F	F
Trainees and sponsored students	F	F	F	F	F	F	F	P2021	F
Workforce by Age and Gender									
Employees age 20-30	F	F	F	F	N	F	F	F	F
Employees age 31-50	F	F	F	F	N	F	F	F	F
Employees age 51+	F	F	F	F	N	F	F	F	F
Male employees	F	F	F	F	F	F	F	P2021	F
Female employees	F	F	F	F	F	F	F	P2021	F

Female employees in middle management	F	F	F	F	F	F	F	P2021	F
New Hires and Turnover									
Total New employee hires	F	F	F	F	F	F	F	F	F
Age 20-30	F	F	N	F	F	F	F	P2021	F
Age 31-50	F	F	N	F	F	F	F	P2021	F
Age 51+	F	F	N	F	F	F	F	N	F
Male	F	F	N	F	F	F	F	P2021	F
Female	F	F	N	F	F	F	F	P2021	F
Employee turnover	F	F	F	F	F	F	F	P2021	F
Employee turnover (%)	F	F	F	F	F	F	F	P2021	F
Training									
Total training hours delivered (hours)	F	F	N	F	F	P2021	F	P2021	F
Average training per employee (hours)	N	N	N	F	N	P2021	N	P2021	F
Performance Reviews									
Number of employees who received a performance and career development review	F	P2021	P2021	F	P2021	F	F	P2021	F
Percentage of employees who received a performance and career development review	F	P2021	P2021	F	P2021	F	F	P2021	F
Grievances									
Number of grievances filed in the reporting period	P2021	F	F	P2021	P21	N	F	N	F
Percentage of these grievance that are addressed or resolved	P2021	F	F	P2021	P21	N	F	N	F
Health and Safety									
Employee fatalities	N	F	F	F	F	F	F	N	F
Contractor fatalities	N	F	F	F	F	F	F	N	F
Employee lost-time injuries	N	F	F	F	F	F	F	N	F
Employee total recordable injuries	N	N	F	F	N	N	F	N	F
Total employee man-hours	N	N	F	F	N	N	F	N	F
Total contractor man-hours	N	N	F	F	F	N	F	N	F
Total number of HSE&S audits for contractors	N	N	F	F	F	N	F	N	F

Health screening	N	N	F	F	F	N	N	N	F
Employee lost-time injury frequency rate	N	N	F	F	P2021	N	N	N	F
Employee total recordable injury frequency rate	N	N	F	F	F	N	F	N	F
Total hours of HS&E related training	N	N	F	F	P2021	N	F	N	F
Procurement									
Total number of local suppliers engaged	N	F	F	F	F	F	F	N	F
Procurement spending on local suppliers (million AED)	N	N	F	F	P2021	N	F	N	F

F: Full Reporting
P19: Partial Reporting 2019
P20: Partial Reporting 2020
P21: Partial Reporting 2021
P1920: Partial Reporting 2019 and 2020
P2021: Partial Reporting 2020 and 2021
N: Not Reporting