

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE U.S.

IMPORTANT: You must read the following before continuing. The following disclaimer applies to the attached Listing Particulars (the "**Listing Particulars**") following this notice, and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Listing Particulars. In accessing the Listing Particulars, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from Aldar Properties PJSC (the "**Issuer**") or any of Abu Dhabi Commercial Bank PJSC, Bank of China Limited, London Branch, Citigroup Global Markets Limited, Emirates NBD Bank PJSC, First Abu Dhabi Bank PJSC, HSBC Bank plc, Intesa Sanpaolo S.p.A., London Branch, J.P. Morgan Securities plc, Mashreqbank psc, The National Bank of Ras Al-Khaimah (P.S.C.) and Standard Chartered Bank (together, the "**Joint Lead Managers**") as a result of such access. You acknowledge that this electronic transmission and the delivery of the Listing Particulars is confidential and intended only for you and you agree you will not forward, reproduce or publish this electronic transmission or the Listing Particulars to any other person.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN THE UNITED STATES OR IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES DESCRIBED IN THESE LISTING PARTICULARS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR THE APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTIONS. OF THE U.S. THE SECURITIES DESCRIBED IN THIS PRELIMINARY OFFERING CIRCULAR MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")), OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE FOLLOWING LISTING PARTICULARS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS DOCUMENT CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY CERTIFICATES DESCRIBED THEREIN.

The distribution of these Listing Particulars and any other marketing materials relating to the securities is being addressed to, or directed at, only the following persons, or directed at: (i) persons who are outside the United Kingdom; (ii) persons within the United Kingdom who are investment professionals falling within Article 19(5) of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (iii) persons within the United Kingdom who are high net worth entities and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order; and (iv) any other person to whom it may otherwise lawfully be made in accordance with the Order (all such persons together being referred to as "**relevant persons**"). Persons of any other description may not receive and should not act or rely on these Listing Particulars or any other marketing materials in relation to any securities.

CONFIRMATION OF YOUR REPRESENTATION: In order to be eligible to view the Listing Particulars or make an investment decision with respect to the Notes (as defined in the Listing Particulars), a prospective investor must be a person that is outside the United States and is not a U.S. person (within the meaning of Regulation S). The Listing Particulars is being sent at your request and by accepting the e-mail and accessing the Listing Particulars, you shall be deemed to have represented to the Issuer and the Joint Lead Managers: (i) that you understand and agree to the terms set out herein; (ii) that you are a relevant person; (iii) that you and any customers you represent are non-U.S. persons (within the meaning of Regulation S) outside the United States (and that the electronic mail address you have given is not located in the United States (including any state of the United States and the District of Columbia), its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands)); (iv) that you are a person who is permitted under applicable law and regulation to receive the Listing Particulars; (v) that you consent to delivery of the Listing Particulars and any amendments or supplements thereto by electronic transmission; (vi) that you will not transmit the Listing Particulars (or any copy of them or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the consent of the Joint Lead Managers; and (vii) that you will make your own assessment regarding any credit, investment, legal, taxation or other economic considerations with respect to your decision to subscribe or purchase any of the Notes.

You are reminded that the Listing Particulars have been delivered to you on the basis that you are a person into whose possession the Listing Particulars may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver or disclose, electronically or otherwise, the contents of the Listing Particulars to any other person. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

The Listing Particulars do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that an offering of securities described herein be made by a licensed broker or dealer and the Joint Lead Managers or any affiliate of the Joint Lead Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such licensed Joint Lead Manager or such affiliate on behalf of the Issuer or holders of the applicable securities in such jurisdiction.

Recipients of the Listing Particulars who intend to subscribe for or purchase the securities described herein are reminded that any subscription or purchase may only be made on the basis of the information contained in the Listing Particulars and/or supplement(s) to the Listing Particulars (if any).

Under no circumstances shall the Listing Particulars constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities described herein in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Listing Particulars may only be communicated to persons in the United Kingdom in circumstances where Section 21(1) of the Financial Services and Markets Act 2000, as amended does not apply.

The distribution of the Listing Particulars in certain jurisdictions may be restricted by law. Persons into whose possession the Listing Particulars comes are required by the Issuer and the Joint Lead Managers to inform themselves about, and to observe, any such restrictions.

The Listing Particulars have been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Joint Lead Managers, or the Agents (as defined in the Listing Particulars), nor any person who controls them, or any director, officer, employee or agent of them or any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Listing Particulars distributed to you in electronic format and the hard copy version available to you on request from the Issuer and the Joint Lead Managers. Please ensure that

your copy is complete. Any reply e-mail communications, including those you generate by using the "reply" function on your e-mail software, will be ignored or rejected. You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk, and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Each of the Joint Lead Managers is acting exclusively for the Issuer and no one else in connection with any offer of the securities described in the Listing Particulars. They will not regard any other person (whether or not a recipient of the Listing Particulars) as their client in relation to any offer of the securities described in the Listing Particulars and will not be responsible to anyone other than the Issuer for providing the protections afforded to their clients nor for giving advice in relation to any offer of the securities described in the Listing Particulars or any transaction or arrangement referred to herein.



ALDAR PROPERTIES PJSC
(a public joint stock company incorporated in the United Arab Emirates)

U.S.\$1,000,000,000 Resetable Subordinated Notes due 2055

The U.S.\$1,000,000,000 Resetable Subordinated Notes due 2055 (the "**Notes**") shall be issued by Aldar Properties PJSC (the "**Issuer**" or "**Aldar**"), a public joint stock company incorporated in the United Arab Emirates (the "**UAE**"), on 15 January 2025 (the "**Issue Date**").

Subject to Condition 5.3 (*Interest and Interest Deferral - Interest following the occurrence of a Change of Control Event*), the Notes shall bear interest, in accordance with the terms and conditions set out in the "*Terms and Conditions of the Notes*" (the "**Conditions**"), from (and including) the Issue Date to (but excluding) 15 April 2032 (the "**First Reset Date**") at a rate of 6.6227 per cent. per annum. If the Notes are not redeemed in accordance with the Conditions on or prior to the First Reset Date, subject to Condition 5.3 (*Interest and Interest Deferral - Interest following the occurrence of a Change of Control Event*), the rate of interest payable on the Notes will be reset on each Reset Date on the basis of: (a) from (and including) the First Reset Date to (but excluding) the Step-up Date, at a fixed rate equal to the aggregate of: (i) the Relevant Five Year Reset Rate (as defined in the Conditions); and (ii) 2.042 per cent. per annum (the "**Initial Margin**"); or (b) from (and including) the Step-up Date to (but excluding) 15 April 2055 (the "**Maturity Date**"), at a fixed rate equal to the aggregate of: (i) the Relevant Five Year Reset Rate; (ii) the Initial Margin; and (iii) 1.0 per cent. per annum (the "**Step-up Margin**"). On the occurrence of a Change of Control Event (as defined in the Conditions), unless the Issuer redeems the Notes in full in accordance with Condition 8.5 (*Redemption, Substitution and Variation - Issuer call right and early redemption for reasons of a Change of Control Event*), the rate of interest payable on the Notes will be subject to an increase by 5.0 per cent. per annum (the "**Change of Control Margin**") (above the otherwise prevailing interest rate) from (and including) the expiration of the Change of Control Redemption Period (as defined in the Conditions).

Subject to the Solvency Conditions (as described below) and an election by the Issuer to defer interest in accordance with Condition 5.4 (*Interest and Interest Deferral - Interest Deferral*), Interest Payment Amounts (as defined in the Conditions) will be payable semi-annually in arrear on 15 April and 15 October in each year, commencing on 15 April 2025 (each, an "**Interest Payment Date**"). The first payment of interest will be made on 15 April 2025 (the "**First Interest Payment Date**") in respect of the period from (and including) the Issue Date to (but excluding) the First Interest Payment Date (short first coupon). See "**Risk Factors – Risks associated with the structure of the Notes – The Issuer may elect to defer interest payments under the Notes**". Deferred interest, which shall itself bear interest, may be paid at any time at the option of the Issuer (upon notice to the holders of the Notes), and must be paid in the circumstances provided in Condition 5.5 (*Interest and Interest Deferral - Payment of Optionally Outstanding Payments*).

The payment obligations of the Issuer under the Notes: (i) constitute direct, unsecured, conditional (as described in Condition 4.3 (*Status and Subordination - Solvency Conditions*)) and subordinated obligations of the Issuer that rank *pari passu* and without any preference or priority amongst themselves; (ii) rank subordinate and junior to all Senior Obligations (as defined in the Conditions) (but not further or otherwise); (iii) rank *pari passu* with all *Pari Passu* Obligations (as defined in the Conditions); and (iv) rank in priority only to all Junior Obligations (as defined in the Conditions). **Notwithstanding any other provisions in the Conditions, to the extent that any of the Solvency Conditions are not satisfied at the relevant time, the rights and claims of the holders of the Notes under the Notes will be extinguished. See "Risk Factors – Risks associated with the structure of the Notes – If the Issuer is not Solvent, the rights and claims of the Noteholders under the Notes against the Issuer will be extinguished".** Payments on the Notes will be made free and clear of, without withholding or deduction for, or on account of any taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature imposed or levied by any Relevant Jurisdiction (as defined in the Conditions) ("**Taxes**") to the extent described under Condition 10 (*Taxation*).

Unless previously redeemed or cancelled as provided in the Conditions, the Notes will be redeemed at the Maturity Date Redemption Amount (as defined in the Conditions) on the Maturity Date. The Notes may otherwise, at the option of the Issuer, be redeemed (in whole but not in part) at their outstanding principal amount plus any Outstanding Payments, in each case in accordance with the Conditions: (i) on any date during the period commencing (and including) 15 January 2032 (the "**First Call Date**") to (and including) the First Reset Date or on any Interest Payment Date thereafter (each a "**Par Call Date**"); (ii) in the event of the occurrence of a Tax Event, a Change of Control Event or a Substantial Repurchase Event; or (iii) in the event of a Rating Methodology Event or a Tax Deducibility Event, at any time after the First Call Date, in each case in accordance with the Conditions. In addition, the Notes may, at the option of the Issuer, be redeemed (in whole but not in part): (i) on any date that is not a Par Call Date, at their outstanding principal amount plus any Outstanding Payments plus the Make-whole Amount (as defined in the Conditions); or (ii) in the event of a Rating Methodology Event or a Tax Deducibility Event, at any time prior to the First Call Date at 101 per cent. of their outstanding principal amount plus any Outstanding Payments, in each case in accordance with the Conditions. The Issuer may in certain circumstances substitute or vary the terms of the Notes, as set out in the Conditions.

Upon the occurrence of an Enforcement Event (as defined in the Conditions), any holder of the Notes may give written notice to the Issuer at the specified office of the Fiscal Agent (as defined in the Conditions), effective upon the date of receipt thereof by the Fiscal Agent, that such Note is due and payable, whereupon the same shall become forthwith due and payable at its Early Redemption Amount (as defined in the Conditions), without presentation, demand, protest or other notice of any kind.

An investment in the Notes involves certain risks. For a discussion of these risks, see *Risk Factors*. In particular, there are risks inherent in the holding of the Notes, including the risks relating to the subordination of claims in connection therewith and the circumstances in which a holder of the Notes may suffer losses as a result of holding the Notes. See "*Risk Factors – Risks associated with the structure of Notes – The obligations of the Issuer are conditional, deeply subordinated in right of payment*".

The Notes may only be offered, sold or transferred in registered form in minimum principal amounts of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. Delivery of the Notes in book-entry form will be made on the Issue Date. The Notes will be represented by interests in a global certificate in registered form (the "**Global Certificate**") deposited on or about the Issue Date with, and registered in the name of a nominee for, a common depository (the "**Common Depository**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream

Banking S.A. ("**Clearstream, Luxembourg**"). Interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg. Individual Certificates (as defined in the Conditions) evidencing holdings of interests in the Notes will be issued in exchange for interests in the Global Certificate only in certain limited circumstances described herein.

Application has been made to the Irish Stock Exchange plc, trading as Euronext Dublin ("**Euronext Dublin**") for the Notes to be admitted to the Official List of Euronext Dublin (the "**Official List**") and to trading on the Global Exchange Market of Euronext Dublin (the "**GEM**"), which is the exchange-regulated market of Euronext Dublin. These listing particulars (the "**Listing Particulars**") constitute listing particulars for the purpose of such application and have been approved by Euronext Dublin as listing particulars. Application is expected to be made to the Securities and Commodities Authority of the United Arab Emirates (the "**SCA**") and the Abu Dhabi Securities Exchange ("**ADX**") for the Notes to be admitted to listing on the ADX. The SCA makes no representation as to the accuracy or completeness of these Listing Particulars and accepts no liability for the contents of these Listing Particulars or for any loss of any kind which may be incurred by any party in connection with these Listing Particulars or their contents. Neither the GEM nor the ADX is a regulated market for the purposes of Directive 2014/65/EU (as amended, "**MiFID II**") or Regulation (EU) No 600/2014 on markets in financial instruments as it forms part of domestic law in the United Kingdom ("**UK**") by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") ("**UK MiFIR**"). These Listing Particulars do not constitute a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") or Regulation (EU) 2017/1129 as it forms part of domestic law in the UK by virtue of the EUWA (the "**UK Prospectus Regulation**").

References in these Listing Particulars to Notes being "**listed**" (and all related references) shall mean that such Notes have been admitted to the Official List, to trading on the GEM and to listing on the ADX.

The Notes are expected to be assigned a rating of Baa3 by Moody's Investors Service Ltd ("**Moody's**"). Aldar has been assigned a long-term rating of Baa2 with a stable outlook by Moody's. Moody's is established in the UK and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the "**UK CRA Regulation**"). As such, Moody's appears on the latest update of the list of registered credit rating agencies (as of the date of these Listing Particulars) on the UK Financial Conduct Authority's (the "**FCA**") Financial Services Register. Moody's is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009, as amended (the "**EU CRA Regulation**"). The rating issued by Moody's has been endorsed by Moody's Deutschland GmbH. Moody's Deutschland GmbH is established in the European Union and registered under the EU CRA Regulation. As such, Moody's Deutschland GmbH is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the EU CRA Regulation.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Notes have not been, nor will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes may be offered or sold solely to persons who are not U.S. persons outside the United States in reliance on Regulation S. Each purchaser of the Notes is hereby notified that the offer and sale of Notes to it is being made in reliance on the exemption from the registration requirements of the Securities Act provided by Regulation S.

STRUCTURING ADVISOR AND GLOBAL CO-ORDINATOR

Citigroup

JOINT LEAD MANAGERS

Abu Dhabi Commercial Bank

Bank of China

Citigroup

Emirates NBD Capital

First Abu Dhabi Bank

HSBC

Intesa Sanpaolo S.p.A., London Branch

J.P. Morgan

Mashreqbank psc

RAKBANK

Standard Chartered Bank

The date of these Listing Particulars is 13 January 2025

IMPORTANT NOTICE

The Issuer accepts responsibility for the information contained in these Listing Particulars. Having taken all reasonable care to ensure that such is the case, the information contained in these Listing Particulars is, to the best of the knowledge of the Issuer, in accordance with the facts and contains no omission likely to affect the import of such information.

Unless specifically incorporated by reference into these Listing Particulars, the information on the websites to which these Listing Particulars refers does not form part of these Listing Particulars and has not been scrutinised or approved by Euronext Dublin.

Where information has been sourced from a third party, the Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of any third-party information contained in these Listing Particulars is stated where such information appears in these Listing Particulars.

The accuracy or completeness of the information contained or incorporated by reference in these Listing Particulars has not been independently verified by the Joint Lead Managers or any of their respective directors, officers, affiliates, advisers or agents. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Joint Lead Managers, their affiliates or any of their respective directors, officers, advisers or agents (i) as to the accuracy or completeness of the information contained or incorporated in these Listing Particulars or any other information provided by the Issuer in connection with the Notes or their distribution or (ii) for any acts or omissions of the Issuer or any other person in connection with these Listing Particulars or the issue and offering of the Notes. The Joint Lead Managers do not accept any liability in relation to the information contained or incorporated by reference in these Listing Particulars or any other information provided by the Issuer in connection with the Notes or their distribution.

No person is or has been authorised by the Issuer or the Joint Lead Managers to give any information or to make any representation not contained in or not consistent with these Listing Particulars or any other information supplied in connection with the issuance of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Joint Lead Managers.

Neither these Listing Particulars nor any other information supplied in connection with the issuance of the Notes: (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer or any of the Joint Lead Managers that any recipient of these Listing Particulars or any other information supplied in connection with the issuance of the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither these Listing Particulars nor any other information supplied in connection with the issuance of the Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Joint Lead Managers to any person to subscribe for or to purchase any Notes.

Neither the delivery of these Listing Particulars nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the issuance of the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Joint Lead Managers expressly do not undertake to

review the financial condition or affairs of the Issuer during the life of the issuance or to advise any investor in the Notes of any information coming to their attention.

Investors should review, *inter alia*, the information contained or incorporated by reference in these Listing Particulars when deciding whether or not to purchase any Notes.

NEITHER THESE LISTING PARTICULARS NOR THE NOTES HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OF AMERICA OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THESE LISTING PARTICULARS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES OF AMERICA.

The Notes have not been, nor will be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes may be offered or sold solely to persons who are not U.S. persons outside the United States in reliance on Regulation S.

These Listing Particulars do not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of these Listing Particulars and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Joint Lead Managers do not represent that these Listing Particulars may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Joint Lead Managers which is intended to permit a public offering of any Notes or distribution of these Listing Particulars in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither these Listing Particulars nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession these Listing Particulars or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of these Listing Particulars and the offering and sale of any Notes. In particular, there are restrictions on the distribution of these Listing Particulars and the offer or sale of any Notes in the United States, the UK, the European Economic Area (the "EEA"), the Kingdom of Bahrain, the State of Qatar (including the Qatar Financial Centre), the Kingdom of Saudi Arabia, the Abu Dhabi Global Market (the "ADGM"), the Dubai International Financial Centre (the "DIFC"), the UAE (excluding the DIFC and the ADGM), Hong Kong, Japan, Malaysia, Singapore and Switzerland (see "*Subscription and Sale*").

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances, and is advised to consult its own tax advisers, legal advisers and business advisers as to tax, legal, business and related matters (as applicable) concerning the purchase of any Notes.

In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in these Listing Particulars or any applicable supplement;
- has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for payments of principal or interest is different from the potential investor's currency;
- understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant indices and financial markets; and
- is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments and are of high risk and are not a suitable or appropriate investment for all investors (see, in particular, *"MIFID II Product Governance / Professional Investors and ECPs only Target Market"*, *"UK MiFIR Product Governance / Professional Investors and ECPs only Target Market"*, *"PRIIPS Regulation / Prohibition of Sales to EEA Retail Investors"* and *"UK PRIIPS Regulation / Prohibition of Sales to UK Retail Investors"* below). In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities similar to the Notes. There are risks inherent in the holding of the Notes, including the risks in relation to their subordination and the circumstances in which holders of the Notes may suffer loss as a result of holding the Notes. See *"Risk Factors"* for a discussion of certain considerations to be taken into account in connection with an investment in the Notes. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET

There are no manufacturers for the purposes of MiFID II. Any person subsequently offering, selling or recommending the Notes (a **"distributor"**) should consider: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market) and determining appropriate distribution channels.

UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in UK MiFIR, only; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No. 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPS REGULATION / PROHIBITION OF SALES TO UK RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended ("**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE "SFA")

In connection with Section 309B of the SFA, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

STABILISATION

In connection with the issue of the Notes, Citigroup Global Markets Limited (the **Stabilisation Manager**) (or persons acting on behalf of the Stabilisation Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or persons acting on behalf of any Stabilisation Manager) in accordance with all applicable laws and rules.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Saudi Arabian Capital Market Authority (the "**Capital Market Authority**").

The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial advisor.

NOTICE TO RESIDENTS OF THE KINGDOM OF BAHRAIN

In relation to investors in the Kingdom of Bahrain, Notes issued in connection with these Listing Particulars and related offering documents may only be offered in registered form to existing account holders and accredited investors as defined by the Central Bank of Bahrain (the "**CBB**") in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.\$100,000 or the equivalent amount in any other currency or such other amount as the CBB may determine.

These Listing Particulars do not constitute an offer of securities in the Kingdom of Bahrain pursuant to the terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). These Listing Particulars and any related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Notes may be offered, sold or made the subject of an invitation for subscription or purchase nor will these Listing Particulars or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to accredited investors for an offer outside the Kingdom of Bahrain.

The CBB has not reviewed, approved or registered these Listing Particulars or any related offering documents and it has not in any way considered the merits of the securities to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this document. No offer of the Notes will be made to the public in the Kingdom of Bahrain and these Listing Particulars must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

NOTICE TO RESIDENTS OF THE STATE OF QATAR

The Notes will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar (including the Qatar Financial Centre) in a manner that would constitute a public offering. These Listing Particulars have not been and will not be reviewed or approved by, or registered with the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or the Qatar Stock Exchange in accordance with their regulations or any other regulations in the State of Qatar (including the Qatar Financial Centre). The Notes are not and will not be traded on the Qatar Stock Exchange. The Notes and interests therein will not be offered to investors domiciled or resident in the State of Qatar (including the Qatar Financial Centre) and do not constitute an issue of bonds by a Qatari company under the Qatar Commercial Companies Law No. (11) of 2015 or otherwise under the laws of the State of Qatar (including the Qatar Financial Centre).

NOTICE TO RESIDENTS OF MALAYSIA

The Notes may not be offered for subscription or purchase and no invitation to subscribe for or purchase the Notes in Malaysia may be made, directly or indirectly, and these Listing Particulars or any document or other materials in connection therewith may not be distributed in Malaysia other than to persons falling within the categories of person set out in Part I of Schedule 6 or Section 229(1)(b), Part I of Schedule 7 or Section 230(1)(b) and Schedule 8 or Section 257(3), read together with Schedule 9 or Section 257(3) of the Capital Market and Services Act 2007 of Malaysia as may be amended and/or varied from time to time and subject to any amendments to the applicable laws from time to time. The Securities Commission of Malaysia shall not be liable for any non-disclosure on the part of the Issuer and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in these Listing Particulars.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

PRESENTATION OF FINANCIAL INFORMATION

Historical financial statements

These Listing Particulars include:

- the unaudited condensed consolidated interim financial information of the Group as at and for the nine months ended 30 September 2024 (the "**Interim Financial Information**"), which include audited comparative information as at 31 December 2023 and unaudited comparative information for the nine months ended 30 September 2023;
- the audited consolidated financial statements of the Group as at and for the year ended 31 December 2023 (the "**2023 Financial Statements**"), which include comparative information as at and for the year ended 31 December 2022; and
- the audited consolidated financial statements of the Group as at and for the year ended 31 December 2022 (the "**2022 Financial Statements**" and, together with the 2023 Financial Statements, the "**Annual Financial Statements**"), which include comparative information as at and for the year ended 31 December 2021.

The Annual Financial Statements and the Interim Financial Information are together referred to in these Listing Particulars as the "**Financial Statements**".

The Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board and applicable provisions of UAE Federal Law No. (32) of 2021. See further note 3.1 to the 2023 Financial Statements. The Interim Financial Information has been prepared in accordance with

International Accounting Standard 34: *Interim Financial Reporting* and complies with the applicable requirements of the laws in the UAE. See further notes 3.1 and 3.2 to the Interim Financial Information.

The Group's financial year ends on 31 December and references in these Listing Particulars to "2023", "2022" and "2021" are to the 12-month period ending on 31 December in each such year.

Auditors and unaudited information

The Annual Financial Statements were audited by Deloitte & Touche (M.E.) ("**Deloitte**") in accordance with International Standards on Auditing and the applicable requirements of Abu Dhabi Accountability Authority Chairman Resolution No. 88 of 2021 regarding financial statements audit standards for the subject entities. Deloitte issued unqualified audit opinions on the Annual Financial Statements.

The Interim Financial Information was reviewed by Deloitte in accordance with the International Standard on Review Engagements 2410: *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. Deloitte expressed an unqualified review conclusion on the Interim Financial Information.

All financial information as at 30 September 2024 and for the nine-month periods ended 30 September in each of 2024 and 2023 in these Listing Particulars is unaudited. Certain other financial information in these Listing Particulars referred to under "*Certain non-IFRS financial information*" below is also unaudited financial information which has been extracted without material adjustment from the accounting records which form the underlying basis of the Financial Statements.

Comparability of financial information

In these Listing Particulars:

- financial information as at 30 September 2024 and for the nine-month periods ended 30 September in each of 2024 and 2023 has been derived from the Interim Financial Information;
- financial information as at, and for the years ended, 31 December in 2023 and 2022 has been derived from the 2023 Financial Statements;
- financial information as at, and for the year ended, 31 December 2021 has been derived from the 2022 Financial Statements.

Investors should note that in the 2023 Financial Statements the Group has reclassified certain consolidated statement of profit and loss and certain consolidated statement of cash flows financial information for 2022. These reclassifications are described under "*Selected financial information*". In addition, in each of the 2023 Financial Statements and the 2022 Financial Statements the Group's presentation of its reported operating segments has changed. These changes are discussed under "*Financial review—Results of operations—Revenue and rental income by operating segment*".

Certain non-IFRS financial information

These Listing Particulars include certain financial information which has not been prepared in accordance with IFRS and which also constitutes alternative performance measures ("**APMs**") for the purposes of the European Securities and Markets Authority Guidelines on Alternative Performance Measures. This information, which has been derived from information included in the Financial Statements and the underlying records on which the Financial Statements were prepared, appears in "*Selected financial information—Selected ratios*" and is referred to in other

places in these Listing Particulars. None of this financial information is subject to any audit or review by independent auditors.

These Listing Particulars include references to Adjusted EBITDA. Adjusted EBITDA is an APM and is also not a measurement of performance under IFRS and investors should not consider Adjusted EBITDA as an alternative to:

- operating income or net income (as determined in accordance with IFRS) as a measure of operating performance;
- cash flows from ongoing operations, investing and financing activities (as determined in accordance with IFRS) or as a measure of ability to meet cash needs; or
- any other measures of performance under IFRS.

Adjusted EBITDA is presented in these Listing Particulars because the Issuer believes that Adjusted EBITDA may assist investors in understanding the historical performance of its business as represented in the Financial Statements. This information is not prepared in accordance with IFRS and should be viewed as supplemental to the Financial Statements. Other companies, including those in the Group's industry, may calculate Adjusted EBITDA differently from the Group. There are no generally accepted principles governing the calculation of Adjusted EBITDA, and the criteria upon which Adjusted EBITDA is based can vary from company to company. Adjusted EBITDA does not by itself provide a sufficient basis to compare the Group's performance with that of other companies and should not be considered in isolation or as a substitute for operating profit or any other measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity. In addition, Adjusted EBITDA should not be used instead of, or considered as an alternative to, the Group's historical financial results.

For a reconciliation of the Group's reported profit for the period/year after tax to Adjusted EBITDA for the nine-month periods ended 30 September in each of 2024 and 2023 and for each of 2023, 2022 and 2021, see "*Selected financial information—Adjusted EBITDA*".

There are some limitations in using Adjusted EBITDA as a financial measure including:

- it does not reflect the Group's cash expenditures or future requirements for capital expenditure or contractual commitments;
- it does not reflect changes in, or cash requirements for, the Group's working capital needs;
- it does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on the Group's debt;
- although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacement;
- it is not adjusted for all non-cash income or expense items that are reflected in the Group's statements of cash flows; and
- the further adjustments made in calculating Adjusted EBITDA are those that management consider are not representative of the underlying operations of the Group and therefore are subjective in nature.

Backlog

These listing particulars include references to:

- the Group's revenue backlog, which represents unbilled revenue from contracts for the sale of properties and deferred revenue from arising from construction contracts, property development under off-plan sales projects and property management and provides an indication of the Group's potential future revenue from its Aldar Development's business;
- Aldar Projects' backlog, which represents the total value of Government projects which Aldar Projects is contracted to manage. As this business is mainly fee-based, Aldar Projects' backlog provides an indication of the scale of its committed current and future business; and
- Aldar Investments' committed future lease payments, which provides an indication of Aldar Investments' future rental income.

PRESENTATION OF OTHER INFORMATION

Currencies

Unless otherwise indicated, in these Listing Particulars, all references to:

- **dirham** and **AED** are to the lawful currency of the United Arab Emirates (the "UAE");
- **Egyptian pound** are to the lawful currency of the Arab Republic of Egypt ("Egypt");
- **pounds sterling** are to the lawful currency of the United Kingdom of Great Britain and Northern Ireland (the "UK"); and
- **U.S. dollars** and **U.S.\$** are to the lawful currency of the United States.

Unless otherwise indicated, the financial information contained in these Listing Particulars has been expressed in dirham. The Group's functional currency is the dirham and the Group prepares its financial statements in dirham. The dirham has been pegged to the U.S. dollar since 22 November 1980. The mid-point between the official buying and selling rates for the dirham is at a fixed rate of AED 3.6725 = U.S.\$1.00. For ease of presentation, certain financial information included in these Listing Particulars is presented as translated into U.S. dollars at this rate. These translations should not be construed as a representation that the amounts in question have been, could have been or could be converted into U.S. dollars at that or any other rate.

Third party information

Where third party information has been used in these Listing Particulars, the source of such information has been identified. Where any data included in these Listing Particulars is referred to as having been estimated, all such estimates have been made by the Issuer using its own information and other market information which is publicly available. Although all such estimations have been made in good faith based on the information available and the Issuer's knowledge of the market within which the Group operates, the Issuer cannot guarantee that a third-party expert using different methods would reach the same conclusions.

Statistical information relating to Abu Dhabi and the UAE included in these Listing Particulars has been derived from official public sources, including the Statistics Centre – Abu Dhabi (the "SCAD"), the UAE Federal Competitiveness and Statistics Centre (the "FCSC"), the Organisation of Petroleum Exporting Countries ("OPEC"), the International Monetary Fund (the "IMF") and Abu Dhabi National Oil Company ("ADNOC") and certain other sources identified in these Listing Particulars. All such statistical information may differ from that stated in other sources for a variety of reasons, including the use of different definitions and cut-off times. This data may subsequently

be revised as new data becomes available and any such revised data will not be circulated by the Group to investors who have purchased the Notes.

Information relating to the Abu Dhabi property market included in these Listing Particulars has been derived from property research published by Jones Lang LaSalle IP, Inc. ("**JLL**"). All such information may differ from that stated in other sources for a variety of reasons, including the use of different source material and cut off times and the subjective interpretation of the source material used. This information may subsequently be revised as new information becomes available and any such revised information will not be circulated by the Group to investors who have purchased the Notes.

Where information has not been independently sourced, it is the Group's own information.

No incorporation of website information

The Issuer' website is www.aldar.com. The information on this website or any other website mentioned in these Listing Particulars or any website directly or indirectly linked to these websites has not been verified and is not incorporated by reference into these Listing Particulars, and investors should not rely on it.

Definitions

In these Listing Particulars:

- "**Abu Dhabi**" means the Emirate of Abu Dhabi;
- "**AIP**" means Aldar Investment Properties LLC, the entity which carries on the Group's investment property leasing and management business;
- "**Aldar Development**" means the property development and project management businesses carried on by the Group and reported in its Aldar Development operating business segment;
- "**Aldar Estates**" means the property and facilities management businesses carried out by companies owned by Aldar Estates Holding Limited, an entity which is 65.1 per cent. owned by the Issuer;
- "**Aldar Investments**" means the investment property, leisure and hospitality, education, property and facilities management and other businesses carried on by the Group and reported in its Aldar Investments operating business segment;
- "**Aldar Projects**" means Aldar Projects LLC, the entity which carries on the Group's project management business;
- "**commercial investment properties**" means the Group's portfolio of buildings containing office units and includes the purpose built building which is leased to the operator of the Repton school;
- "**GCC**" means the Gulf Cooperation Council (comprising the Kingdom of Bahrain, the State of Kuwait, the Sultanate of Oman, the State of Qatar, the Kingdom of Saudi Arabia and the UAE);
- "**Group**" means the Issuer and its subsidiaries;
- "**Government**" means the Government of Abu Dhabi;
- "**hospitality properties**" means the Group's portfolio of hotels;

- **"investment properties"** means the Group's portfolio of retail, residential, commercial and logistics properties;
- **"leisure properties"** means the Group's portfolio of leisure assets principally comprising beach clubs, golf course and marinas;
- **"logistics properties"** means the Group's portfolio of warehouses and undeveloped industrial land; and
- the **"MENA region"** means the region comprising the Middle East and North Africa.

Rounding

The Financial Statements present financial information in thousands of dirham. In these Listing Particulars, certain financial information which has been extracted from the Financial Statements has been rounded to the nearest million dirham, with AED 500,000 and above being rounded up. As a result of such rounding, the totals of data presented in tables in these Listing Particulars may vary slightly from the arithmetic totals of such data. Where used in tables, the figure "0" means that the data for the relevant item has been rounded to zero and the symbol "—" means that there is no data in respect of the relevant item. Percentage changes and other percentage data relating to the Group's financial information have been calculated based on financial statement data contained in the Financial Statements and rounded to one decimal place, with 0.50 being rounded up.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some statements in these Listing Particulars may be deemed to be forward looking statements. The words "anticipate", "believe", "expect", "plan", "intend", "targets", "aims", "seeks", "estimate", "project", "will", "would", "may", "could", "continue", "should" and similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact included in these Listing Particulars, including, without limitation, those regarding the financial position of the Group, or the business strategy, management plans and objectives for future operations of the Group, are forward looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Group's actual results, performance or achievements, or industry results, to be materially different from those expressed or implied by these forward-looking statements. These forward-looking statements are contained in the sections entitled "*Risk Factors*" and "*Description of the Group*" and other sections of these Listing Particulars. The Issuer has based these forward-looking statements on the current view of its management with respect to future events and financial performance. These forward-looking statements are based on numerous assumptions regarding the Group's present, and future, business strategies and the environment in which the Issuer expects to operate in the future. Important factors that could cause the Group's actual results, performance or achievements to differ materially from those in the forward-looking statements are discussed under "*Risk Factors*".

Forward-looking statements speak only as at the date of these Listing Particulars and, without prejudice to any requirements under applicable laws and regulations, the Issuer expressly disclaims any obligation or undertaking to publicly update or revise any forward-looking statements in these Listing Particulars to reflect any change in the expectations of the Issuer or any change in events, conditions or circumstances on which these forward-looking statements are based. Given the uncertainties of forward-looking statements, the Issuer cannot assure potential investors that projected results or events will be achieved and the Issuer cautions potential investors not to place undue reliance on these statements.

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RISK FACTORS

The purchase of the Notes may involve substantial risks and is suitable only for sophisticated investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and merits of an investment in the Notes. Before making an investment decision, prospective purchasers of the Notes should consider carefully, in the light of their own financial circumstances and investment objectives, all the information in these Listing Particulars.

Should one or more of the events or circumstances described as risks below occur at the same time or separately, this could have a material adverse effect on the Group. As used in this section, "material adverse effect" and related expressions when used in relation to the Group mean that the Group's financial condition, results of operations, liquidity, business, prospects and/or reputation could be materially adversely affected and/or the value of the Notes could decline, and these factors could result in an investor losing part of or all its investment.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but its inability to pay any amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. There may also be other considerations, including some which may not be presently known to the Issuer, or which the Issuer currently deems immaterial, that may impact any investment in the Notes.

Prospective investors should also read the detailed information set out elsewhere in these Listing Particulars and reach their own views prior to making any investment decision. Words and expressions defined in "Terms and Conditions of the Notes" shall have the same meanings in this section.

RISKS RELATING TO THE GROUP

The success of the Group's business is dependent on Abu Dhabi's economy and is significantly affected by trends in Abu Dhabi's real estate market, each of which may be adversely impacted by a range of factors outside the Group's control

As at 30 September 2024, 92.8 per cent. of the Group's total assets were in the UAE, almost entirely in Abu Dhabi. As a result, the Group's ability to generate profits is dependent on, among other things, economic conditions in Abu Dhabi and the state of the Abu Dhabi real estate market. Adverse economic conditions in Abu Dhabi, however arising, could cause a loss of investor confidence, a decrease in consumer purchasing power, reduced tourism and unanticipated changes in Abu Dhabi's demographic mix, any or all of which may negatively impact the Abu Dhabi real estate market and reduce demand for residential units in the Group's projects, its investment properties, its hospitality and leisure properties and the other services offered by it.

According to property research published by JLL in relation to Abu Dhabi and summarised under "*Overview of the UAE and Abu Dhabi—Recent developments in the Abu Dhabi real estate market*", the property market in Abu Dhabi has generally improved from 2021 after having experienced a significant downturn in previous years. In past years where the property market has been adversely impacted, the Group has experienced lower demand for residential units resulting in fewer projects being launched and lower volumes of residential unit sales, reduced revenue from its investment properties driven by lower average occupancy and lease rates and reduced hospitality and leisure revenue resulting from lower demand. In addition, generally weaker market conditions may result in revaluation losses on the Group's investment properties (as was the case in each year from 2017 to 2020) and impairments charged against its hospitality properties which are recorded in its consolidated statement of financial position as property, plant and equipment.

In 2020 and to a lesser extent in 2021, for example, the Group was adversely affected by the coronavirus disease 2019 ("**COVID-19**") pandemic and the measures imposed to try to contain it in the UAE, as well as by the impact of low oil prices resulting from COVID-19 containment measures imposed around the

world and other factors. Although the Group's residential and commercial investment properties were not materially impacted by the COVID-19 pandemic, its retail investment properties and its hospitality and leisure businesses were materially adversely impacted by Government-mandated closures of retail properties in 2020 and the slow recovery of inbound tourism in 2021. The Group also recorded revaluation losses on its investment properties in 2020 amounting to AED 400 million, in large part driven by the impact of COVID-19.

There is no assurance that the Group will not be materially adversely affected in the future by negative economic or real estate market trends. These developments could result in the following outcomes:

- reduced demand for units in residential properties being sold by the Group, resulting in lower prices being achieved and therefore reduced profitability;
- the Group may not be able to obtain adequate construction management, maintenance or insurance services on commercial terms or at all;
- reduced occupancy rates in the Group's investment properties, particularly its residential investment properties the majority of which are leased on rolling one-year contracts, which would reduce its revenue and rental income and its ability to recover certain operating costs such as service charges;
- the Group may not be able to collect rent and service charge payments from tenants and other contractual payments on a timely basis or at all;
- lower rent levels and the terms on which lease renewals and new leases are agreed being less favourable, thereby reducing profitability;
- reduced demand for any investment properties which the Group may wish to sell in the future, resulting in lower prices being achieved;
- lower demand for the Group's hospitality and leisure properties, resulting in reduced hospitality and leisure revenue;
- negative changes in the fair value of the Group's hospitality and investment properties;
- the Group may not be able to obtain funding being constrained and/or a significant increase in its cost of funding; and
- increased impairment charges.

The Issuer's obligations under the Notes are not guaranteed by the Government

While the Government has in the past provided support to the Group in terms of land grants and financing, the Government is under no obligation to continue to provide financial support to the Group, including any future grants of land, and there is no assurance that any such support will be forthcoming in the future. Any entity through which the Government's indirect shareholding in The Issuer is held may also sell its shares at any time.

Potential investors should note that the Government does not guarantee the obligations of The Issuer under the Notes and the Noteholders do not therefore benefit from any legally enforceable Government backing.

The Group's revenue diversification strategy may not be successful

The Group's revenue is geographically concentrated on the UAE and Abu Dhabi in particular. In recent years as part of its strategic vision of expanding into key and mature international markets, the Group has sought to diversify that concentration through its investments in Sixth of October for Development

and Investment Company ("SODIC") (in late 2021) and London Square Development (Holdings) Limited and LSQ Management Limited (together "LSQ") (in late 2023), through projects undertaken in other emirates in the UAE, notably Dubai and Ras Al Khaimah, and through investing in different classes of real estate asset, including alternative real estate assets. For example, in December 2023, The Issuer announced a partnership with Mubadala and Ares Management to jointly invest U.S.\$1 billion in private real estate credit opportunities in the United Kingdom and Europe over a three- to five-year period and, in early 2024, it announced an AED 407 million investment in logistics and storage assets in Europe through a partnership with global investment firm, Carlyle. No assurance can be given that this strategy will prove successful in insulating the Group from the adverse effects associated with a significant economic or real estate market downturn affecting the UAE.

Real estate valuation is inherently subjective and uncertain, and real estate investments are illiquid

Real estate assets are inherently difficult to value. The Group's valuations are subject to substantial uncertainty and subjective judgements and are made based on assumptions which may not be correct. There can be no assurance that any sale by the Group of any of its investment properties or other real estate assets will be at a price which reflects the most recent valuation of the relevant property, particularly if the Group sells the property in adverse economic conditions. In addition, the real estate market is affected by many factors, such as general economic conditions, supply and demand and other factors, that are beyond the Group's control and may materially adversely impact the fair value of its investment properties after their most recent valuation date. Because real estate investments in general are relatively illiquid, the Group's ability to promptly sell one or more of its investment properties or other real estate assets in response to changing conditions is limited.

The Group's historic financial results have, at times, been significantly influenced by changes in the fair value of its investment and hospitality properties. Any gains or losses arising from changes in the fair value of the Group's investment properties are required to be included in its consolidated statement of profit or loss for the period in which they arise and in cases where its hospitality properties are impacted by a sustained decline in fair value, the Group may record impairments against those properties in its consolidated statement of profit or loss. For example, in 2020, the Group recorded a net revaluation loss on its investment properties of AED 400 million, principally reflecting adverse market conditions. As described in note 4.2 to the 2023 Financial Statements, determining the fair value of the Group's investment properties is a key source of estimation uncertainty. There is no assurance that the Group will not continue to experience significant revaluation losses in respect of its investment properties or impairments in relation to its hospitality properties in future periods, see "*The success of the Group's business is dependent on Abu Dhabi's economy and is significantly affected by trends in Abu Dhabi's real estate market, each of which may be adversely impacted by a range of factors outside the Group's control*" above.

The Group may be unable to identify and complete acquisitions and successfully operate or integrate acquired businesses

As part of its growth and diversification strategy, the Group evaluates the market for attractive acquisition opportunities and it has completed various significant acquisitions since 2021, including the acquisition of SODIC in Egypt and LSQ in the United Kingdom, as well as several smaller acquisitions of complementary businesses operating in the UAE, see "*Financial review—Principal factors affecting results of operations—Significant transactions*".

The Group's ability to acquire companies on favourable terms and successfully integrate them involves significant risks, including:

- the Group may be unable to complete an acquisition because of competition from other market participants;
- even if the Group is able to complete an acquisition, competition from other market participants may significantly increase the acquisition price;

- the Group may be unable to realise the intended benefits from its acquisitions or achieve anticipated operating or financial results;
- the Group may be unable to finance its acquisitions on favourable terms or at all;
- the Group may underestimate the costs to integrate its acquisitions or overestimate the synergies it expects to exploit; and
- the Group may be unable to integrate new acquisitions quickly and efficiently into its existing operations resulting in disruptions to its operations or the diversion of management's attention.

If the Group is unable to successfully acquire and integrate new businesses, its ability to grow its business, compete and meet market expectations could be significantly impaired, which would adversely affect the Group's business.

The Group's acquisitions may expose it to unidentified liabilities

Any acquisition that the Group makes may expose it to unanticipated liabilities and/or difficulties in mitigating contingent and/or assumed liabilities. Although the Group conducts due diligence in relation to each acquisition, including, when considered appropriate, through expert appraisals of various aspects of the businesses being acquired, this may not identify all issues relating to the businesses concerned. In connection with each acquisition, the Group obtains representations and warranties from the seller about, and/or indemnities in respect of, the businesses it acquires, although no assurance is given that it will, in all cases, be successful in any claim made against the seller in relation to any representations, warranties and indemnities obtained, including, for example, as a result of the seller becoming insolvent. The Group may also become involved in disputes or litigation concerning any representations, warranties and indemnities that it has obtained, which may be costly and time consuming to pursue.

In certain of its acquisitions where the consideration paid exceeds the fair value of the net assets acquired, the Group recognises the difference as goodwill. Under IFRS, the goodwill is initially measured at cost. Goodwill is not amortised but tested for impairment at least annually. As at 31 December 2023, the Group's goodwill amounted to AED 1,180 million. Any significant impairment of this goodwill in future periods could have a material adverse effect on the Group's profitability in the period concerned.

RISKS RELATING TO THE GROUP'S ALDAR DEVELOPMENT BUSINESS

The Group's Aldar Development business recognised gross revenue of AED 8,261 million (before eliminations) in 2023, equal to 58.3 per cent. of the Group's total gross revenue (after elimination) in 2023. The Aldar Development business principally comprises the development of master-planned community projects and the sale of residential units in those developments in both the UAE and Egypt, residential property development and sale in the United Kingdom and the sale of plots of land in its master-planned community projects in the UAE for development by third parties within the scope of the master plan.

The Group's Aldar Development business is exposed to a range of development and construction risks

When undertaking its development activities for its own account, the Group faces numerous development risks, including:

- uncertainties as to market demand or a decline in market demand after construction has begun due to, for example, a shift in buyer preferences, a downturn in the economy, a change in the surrounding environment of the project, including the location or operation of transportation hubs or population density or otherwise;

- the inability to obtain desirable property locations;
- delays or refusals in obtaining all necessary zoning, land use, building, occupancy and other required governmental and regulatory permits, approvals and authorisations;
- delays in completing necessary infrastructure works;
- the inability to obtain financing on acceptable terms, or at all, and otherwise fund construction and capital improvements and provide any necessary performance guarantees;
- the inability or unwillingness of customers to make contracted progress payments under their purchase contracts; and
- increases in the supply of properties from competitors.

There can be no assurance that any of the Group's current or future projects will be completed in the anticipated time frame or at all, whether due to the factors specified above or for any other reason, and the Group's inability to complete any project could have a material adverse effect on its business, results of operations, cash flows and financial condition.

The Group's projects, including the projects which it undertakes on behalf the Government on a fee-based basis, are also exposed to construction risks, including:

- default or failure by the Group's appointed contractors to finish projects on time, according to specifications or within budget;
- an inability to complete development projects on schedule or within budgeted amounts including in cases where the contractors experience financial difficulties;
- an inability to find a suitable contractor either at the commencement of a project or following a default by an appointed contractor;
- an inability to pass through risks contractually to contractors which would expose the Group to various market or contractor risks;
- an inability to find third parties, such as architects, engineers, interior designers or other service providers;
- unforeseen engineering, environmental or geological problems or design faults and/or defective materials or building methods;
- adverse weather conditions, natural disasters, pandemics (such as COVID-19), accidents, force majeure events and/or changes in governmental priorities;
- disputes between contractors and their employees;
- shortages of materials, equipment and labour, which occurred during the COVID-19 pandemic lock downs in the UAE and at times since then due to supply chain issues, adverse weather conditions, natural disasters, labour disputes, disputes with sub-contractors, accidents, changes in governmental priorities and other unforeseen circumstances; and
- escalating costs of construction materials, other resources, personnel and global commodity prices, which was a particular concern during 2022 and into 2023.

Any of these factors, either alone or in combination, could materially delay the completion of a project or materially increase the costs associated with a project. Projects subject to delays or cost overruns may take longer or fail to generate the revenue, cash flow and profit margins that were originally

anticipated. In addition, the targeted return on the investment in the project may not be realised. There can be no assurance that the revenue that the Group is able to generate from its projects will be sufficient to cover the associated construction costs.

The Group and its consultants and contractors are also exposed to the risk of incidents occurring in relation to the Group's developments, which may or not be caused by design faults, construction defects or failures to comply with applicable health and safety or other regulatory requirements. There can be no certainty that any such incidents may not result in personal injuries, loss of life or material property damage for which the Group might be responsible in whole or in part. Any such incidents could have a material adverse effect on the Group through fines or other sanctions, through damage to its reputation and through remediation costs if the incident is not covered by insurance.

In addition, a prolonged period of difficult economic conditions could result in slow downs and/or defaults in the performance of services by contractors who are faced with financial difficulties as well as in defaults in payments for completed residential units and land plots sold by the Group. These effects could be aggravated by the fact that the Group may still need to complete the development of the amenities of any affected projects to properly service the projects and by the fact that the Group may be relying on income from certain projects to repay financing incurred by it in connection with a particular project or any other projects.

The Group's project development business model is based on selling a significant number of its residential units off-plan

The Group's project development business model is based on selling a significant number of its residential units off-plan. This exposes the Group to the risk of not being able to hand over pre-sold units in a timely manner to the purchasers and to the risk that the quality and specifications of the units handed over do not meet the purchasers' expectations. In these cases, purchasers may seek to cancel their commitments and request reimbursement of pre-paid amounts or, where purchasers have no contractual right to terminate their contract with the Group and/or to demand repayment of monies paid, a purchaser may seek to claim reimbursement from the Group together with interest if the Group fails to deliver a residential unit in a timely manner or fails to meet a purchaser's legitimate expectations as to quality and specifications.

Under its pre-sale contracts, the Group typically receives instalment payments of a part of the purchase price before and during the construction period, with a final balancing payment when the unit is handed over. The Group is therefore exposed to the risk that one or more customers fail to pay the remaining amounts in accordance with their contractual obligations, which could impact the Group's cash flows in relation to the project.

In addition, the Group's projects include amenities and conveniences such as swimming pools, gym areas, retail areas and parks. If substantial parts of these amenities are delayed, cancelled or changed, customers who have acquired residential units in affected developments may not be able to enjoy the services or the overall environment which they expected when the project was originally launched.

Delays in completion or cancellation of all or a portion of a project could also adversely affect the Group's reputation and ability to attract future customers. Furthermore, any difference in the quality of construction from project to project could adversely affect the Group's brand. If a significant number of customers encounter workmanship or structural defects and these are not rectified in a timely and satisfactory manner, the Group's reputation may be adversely affected.

The continued success of the Group's Aldar Development business is dependent in part upon the wealth of domestic and international property purchasers and investors

The Group's Aldar Development business depends on levels of disposable income and disposable capital of high net worth and other affluent individuals and investors in the UAE and in various international jurisdictions. Since many of these individuals and investors operate in the global financial

markets, their levels of wealth depend, to some extent, on the performance of the international property, financial and consumer markets. In addition, the disposable income levels of such individuals and investors are affected by factors in their home countries, such as the availability to them of financing and mortgages as well as interest rates, inflation and tax rates. For example, the COVID-19 pandemic had a material adverse effect on levels of disposable income and wealth of individuals world-wide and therefore also on demand for properties in the UAE market. The Group expects that demand for residential units in its projects will continue to depend, to some extent, on the condition of the global markets and any financial crises or economic downturns impacting these investors could materially adversely affect demand for residential units in the Group's projects resulting in lower development revenue, higher marketing costs and reduced profitability.

RISKS RELATING TO THE GROUP'S ALDAR INVESTMENTS BUSINESS

The Group's Aldar Investments business recognised gross revenue of AED 6,476 million (before eliminations) in 2023, equal to 45.7 per cent. of the Group's total gross revenue (after elimination) in 2023. The Aldar Investments business principally comprises the leasing of the Group's retail, residential, commercial and logistics investment properties, its hospitality and leisure business, its education business, its property and facilities management businesses and its investments in alternative real estate assets.

The Group's rental income from its investment properties is subject to risks associated with its tenants' liquidity and solvency

The Group's rental income from its investment properties, which amounted to AED 2,139 million (before eliminations, or 15.1 per cent. of the Group's total revenue and rental income (after eliminations)), in 2023 depends on the liquidity and solvency of the tenants in those properties. Many of the Group's retail tenants are exposed to both declining consumer spending in times of poor economic conditions and an increasing amount of e-commerce which may negatively impact footfall from those tenants at the Group's retail investment properties, both of which could negatively impact the sales volumes and revenue levels of those tenants in the future. These trends were particularly evident in 2020 reflecting the measures imposed to restrict the spread of COVID-19 in the UAE. Poor economic conditions generally may also affect the Group's tenants' ability to make lease payments or may result in tenants seeking to renegotiate the terms of their leases. The Group has in the past applied, and may in the future need to apply, rent discounts for certain tenants to retain them and maintain occupancy levels. In 2020, rental discounts and waivers provided due to COVID-19 resulted in direct reductions to the Group's rental income from its investment properties.

The bankruptcy or insolvency of major tenants, including anchor tenants at Yas Mall or some of the Group's other large shopping malls, or a substantial number of smaller tenants across its retail, residential, commercial and logistics investment properties, would materially decrease the Group's rental income from its investment properties and available cash, and negatively impact the value of any affected investment property. Insolvent tenants may seek protection of applicable insolvency laws which could result in the early termination of their leases, resulting in decreases to the Group's rental income from its investment properties. The Group's leases generally do not contain provisions designed to monitor the creditworthiness of its tenants and it may not be able to monitor the creditworthiness of its tenants in a timely manner. Accordingly, the Group is exposed to the credit risk of each of its tenants. Although default in rent payments would entitle the Group to evict the relevant tenant, this may take time and there may be a delay in sourcing a suitable replacement tenant. Rental payment obligations under the Group's leases are typically not secured by collateral (other than rent deposits, letters of guarantee, post-dated cheques, notes and similar collateral in certain cases) and the Group is not insured against lease defaults.

Any of the above factors could result in higher vacancy rates, lower rental income, potential decreases in the fair value of the Group's investment properties, or otherwise materially adversely affect the Group.

The Group's rental income from its investment properties is subject to risks associated with the expiration of leases relating to those properties

The Group is subject to the risk that, upon the expiration or early termination of leases of its investment properties, leases may not be renewed by existing tenants or entered by new tenants, or the terms of renewal or re-letting (including the cost of the required renovations or concessions to tenants) may be less favourable to the Group than the previous lease terms.

For example, the Group seeks to anchor its shopping malls with well-known tenants who generate shopping footfall. There is a risk with these tenants that, upon the expiration of their leases, the lease may not be renewed by the tenant and that the unit may remain vacant for a period of time or be re-let on terms less favourable to the Group. The attractiveness of the Group's shopping malls to new tenants, and its rental income from those malls, may be adversely affected if anchor tenants terminated or declined to renew leases upon expiry, sought lower rents upon review, failed to meet their contractual obligations, sought concessions to continue renting their units, or ceased their operations.

In addition, as at 31 December 2023, approximately 56 per cent. of the Group's residential tenants occupied their properties under one-year lease contracts (on a value basis). As a result, in declining residential rental market conditions, the Group may experience higher volumes of leases that are not renewed and may need to offer discounted lease rates or other incentives to attract tenants to these properties. This could negatively affect the Group's rental revenue from these properties.

As at 31 December 2023, the weighted average unexpired lease term for all of the Group's investment properties was 3.6 years (on a value basis). The Group estimates that leases representing approximately 30 per cent. of its contracted base rental income will expire in 2024, approximately 13 per cent. in 2025, approximately 16 per cent. in 2026, approximately 9 per cent. in 2027 and approximately 33 per cent. in 2028 and beyond.

Any of the above factors could result in higher vacancy rates, lower rental income from the Group's investment properties, potential decreases in the fair value of the Group's investment properties, or otherwise materially adversely affect the Group.

The Group's ability to generate desired returns on its investment will depend on its ability to manage those properties on appropriate terms

The Group's ability to achieve returns on its investment properties will be affected by its ability to:

- generate demand for those properties from tenants on terms that it believes are attractive; and
- from time to time in the future, to identify purchasers for one or more of those properties at prices that it believes are attractive.

Revenue earned from, and the value of, the investment properties held by the Group may be materially adversely affected by multiple factors, including:

- its ability to fully let its investment properties and to achieve target rental returns;
- its ability to collect rent and other contractual payments from tenants on a timely basis or at all;
- tenants delaying payment of rental and other contractual amounts or the premature termination of a tenant's lease as a result of default, all of which could hinder or delay the re-letting of an investment property;
- the amount of rent and the terms on which lease renewals and new leases are agreed being less favourable than current leases;

- a competitive rental market, which may affect rental levels or occupancy levels at the Group's investment properties;
- adverse events negatively impacting the Group's reputation; and
- changes in applicable laws and regulations, including, for example, the imposition of rent caps, which lead to reduced revenue, increases in management expenses and/or unforeseen capital expenditure to ensure compliance.

Negative changes in any one or more of these factors could materially adversely affect the Group.

The performance of the Group's hospitality and leisure properties depends in large part upon the performance and reputation of, and developments affecting, the third-party management companies appointed by the Group

The Group's hotel and leisure properties are managed by third party management companies. Under the terms of the management agreements, the management companies typically control the daily operations of the properties and, although the Group monitors each management company's performance and has the right to review and object to the annual budget for each property prepared by each such company, it does not generally have the direct authority to require the property to be operated in a particular manner or to govern any particular aspect of the property's daily operations (for example, setting rates or managing particular personnel). As a result, even if the Group believes that one or more of its hotel or leisure properties is being managed inefficiently, it may not be able to require the relevant management company to change its method of operation of the property concerned. In addition, should the Group wish to change a management company it may be unable to do so under the relevant agreement or may need to pay substantial termination fees and may experience significant disruption at the property concerned. The effectiveness of the Group's management companies and other operators in running its hotel properties will, therefore, significantly affect the revenue, expenses and value of those properties.

Further, adverse publicity or other adverse developments that may affect the Group's management companies or their brands generally may also materially adversely affect the Group.

All revenue generated at the Group's hotel and leisure properties is deposited into accounts controlled by the management company which operates the relevant property and which pays operating and maintenance expenses for the relevant property in accordance with its management agreement. In the event of the insolvency of a management company, there is a risk that payment of operating and other expenses for the property or properties that it manages and payment of revenue to the Group may be delayed or otherwise impaired. In addition, many services such as international sales, maintenance of a centralised reservation system and other similar services, are performed for the Group's hotel properties on a centralised basis by its management companies. As a result, the insolvency of a management company may significantly impair its ability to deliver such centralised services, which could significantly adversely affect the occupancy rates at the hotel properties managed by it, including any owned by the Group.

The Group's investment, hospitality and leisure properties could be negatively affected by any factors which reduce the number of visitors to Abu Dhabi and the UAE

Many shoppers in the Group's major shopping malls, guests in its hotels and visitors to its leisure attractions are visitors to Abu Dhabi and the UAE. Accordingly, any factors which reduce the number of visitors to Abu Dhabi and the UAE could have a material adverse effect on the Group. These include:

- factors that may adversely affect tourist visits to the region as a whole or more generally, such as political or social instability, global economic conditions, terrorist attacks, wars, natural catastrophes or major health concerns, for example the travel restrictions imposed around the world in 2020 to combat the COVID-19 pandemic;

- the continued attractiveness of Abu Dhabi and the UAE as a tourist destination, which could be negatively affected by a number of factors, including, for example, the imposition of onerous visa requirements or negative political developments in the region;
- the effectiveness of Government and other marketing campaigns and initiatives targeting international visitors;
- the timely execution and delivery of planned hotel growth in Abu Dhabi and the UAE more generally as well as planned enhancements in other tourism-related infrastructure, such as airport expansion programmes in both Abu Dhabi and Dubai and related fleet increases in the major carriers based at those airports;
- increased competition and periods of oversupply of hotel and guest accommodation in Abu Dhabi and the UAE more generally which may affect occupancy and room rates at the Group's hotel properties and the extent to which other cities in the region choose to undertake significant development with the aim of capturing a larger share of tourist traffic;
- increases in operating costs, for example due to inflation, utility costs, increased tax and insurance costs, and other factors;
- seasonality, particularly in the very hot summer months in the UAE; and
- significant increases in the cost of air travel, for example due to increased oil prices or increased taxes on airlines, or other factors which negatively impact air travel such as natural disasters, safety concerns following major incidents and prolonged airport or air traffic control strikes.

The Group's capital expenditure and other maintenance costs in relation to its investment properties may be higher than expected

The Group must maintain or improve the condition of its investment properties for them to remain desirable to tenants and to generate revenue over the long term. For example, in the second quarter of 2022 it completed an AED 500 million renovation of Yas Mall. Further, maintaining or improving the condition of the Group's investment properties is essential to capturing the rental value uplift of any increase in market demand. Maintaining an investment property to market standards can entail significant costs. During 2023, the Group committed to invest AED 500 million to redevelop Al Jimi Mall in Al Ain and Al Hamra Mall in Ras Al Khaimah.

The Group's future maintenance and capital expenditures may exceed its budget due to cost increases resulting from unforeseen circumstances, including shortages of and price inflation in respect of materials, equipment and labour, adverse weather conditions, accidents and unexpected delays. In addition, numerous other factors, such as the age of the relevant building structure could also result in the Group incurring substantial maintenance costs.

Any of these circumstances could negatively affect the ability of any of the Group's contractors to complete maintenance or refurbishment projects on schedule or within the estimated budget, and even if the contractors are successful in doing so, the Group may not be able to recoup its investments. Any failure by the Group to undertake appropriate maintenance and refurbishment work could adversely affect the rental revenue earned from the affected investment property.

The Aldar Investments business is dependent on a single large shopping mall for a significant proportion of its revenue

The Aldar Investments business includes a range of retail establishments (including shopping malls), residential properties and offices for which it seeks to attract tenants. In 2023, 7 per cent. of the revenue of the Aldar Investments business and 3 per cent. of the Group's revenue was derived from Yas Mall, which opened in 2014. Yas Mall is a super-regional mall with a gross leasable area ("GLA") of

220,769m² and is the largest shopping mall in Abu Dhabi, based on GLA. As at 31 December 2023, 97 per cent. of the GLA in Yas Mall was leased. The Group and the Aldar Investments business face the risk, however, that tenants, including anchor tenants, in Yas Mall may default or fail to renew their leases when they expire which could impact the revenue that is generated from Yas Mall. In addition, Yas Mall could experience competition from other existing or future significant malls in Abu Dhabi or could be adversely impacted by other risks, including health and safety or catastrophe risks, any of which could adversely affect the amount of revenue generated by the mall in the future.

An increase in online shopping could reduce footfall at, and the demand from tenants for space in, the Group's shopping malls that form part of the Aldar Investments business

A shift in demand from traditional physical stores towards online shopping represents a risk for the Aldar Investments business and the Group. In the UAE market, online retail sales currently make up a relatively low share of total demand, with e-commerce sales estimated at approximately U.S.\$6.9 billion in 2023, an increase from U.S.\$2.6 billion in 2019, and forecasted to grow to around U.S.\$13.3 billion by 2028 (source: EZ Dubai / Dubai Chambers Economic Research / Euromonitor). Markets like the United States and the United Kingdom have a higher penetration of online retail sales which has contributed to the decline of physical shopping centres. Many factors impact this trend, but the Group's strategy is to continually adjust the tenant mix to offer attractive stores and services (including, for example, a range of restaurants and other dining options, children's play zones and cinemas) as well as focus on shopping malls that remain attractive meeting places, with significant catchment areas and with easy transportation access. Nevertheless, if online shopping were to become more predominant in Abu Dhabi, this could materially adversely affect the revenue from retail investment properties derived by the Aldar Investments business and the Group.

FINANCIAL RISKS RELATING TO THE GROUP

The Group's business may require external financing which may be difficult or expensive to obtain

The Group anticipates that it may have material financing needs to fund capital expenditure, acquisition costs or other investments in the future or to refinance existing indebtedness. The Group aims to finance its future capital, acquisition costs and other investments and its financial obligations (including its obligation to make payments in respect of the Notes) through internally generated cash flow, available cash and liquidity and financing in the capital markets.

The Group's ability to obtain external financing and the cost of such financing are dependent on numerous factors, including general economic and market conditions, international and domestic interest rates, credit availability from banks or other financiers, central bank regulations (including single obligor limits), investor confidence in the Group and the success of the Group's business. At times in the last two decades, global credit markets have experienced difficult conditions, including reduced liquidity, greater volatility, widening of credit spreads, liquidity and solvency concerns at both regional and international banks leading to significant government intervention and financial support, and decreased availability of funding generally. Any recurrence of these conditions could make it difficult or significantly more expensive for the Group to obtain additional financing, either on a short-term or long-term basis, to fund developments or to repay existing financing. If appropriate sources of financing are not available or are only available on onerous terms and the Group does not have sufficient operating cash flow or cash generated from asset monetisations, this could adversely affect the Group's business through increased borrowing costs and reductions in expenditure. In addition, the Group may be forced, amongst other measures, to do one or more of the following:

- forgo business opportunities, including attractive project developments or acquisitions;
- delay or reduce capital expenditures;
- sell assets on less-than-optimal terms; or

- restructure or refinance all or a portion of its debt on or before maturity.

The Group could be adversely affected by high levels of leverage

As at 30 September 2024, the Group's total consolidated assets were AED 81.0 billion. As at the same date, the Group's bank borrowings and non-convertible sukuk totalled AED 15.4 billion, with AED 1.6 billion, maturing in one year. Any significant increase in the Group's debt in future years could:

- require a substantial portion of the Group's cash flow from operations to be dedicated to the payment of principal and interest on its indebtedness, thereby reducing its ability to use its cash flow to fund its operations, capital expenditures and future business opportunities;
- expose the Group to the risk of increased interest rates with respect to its borrowings at variable rates of interest;
- limit the Group's flexibility to react to changes in Abu Dhabi's economy or real estate market;
- limit the Group's ability to obtain additional financing for working capital, capital expenditures, project development, debt service requirements and general corporate or other purposes; and
- increase the likelihood of failure to meet its debt obligations.

Claims against The Issuer under the Transaction Documents will be structurally subordinated to the claims of creditors of The Issuer's subsidiaries

The Issuer's subsidiaries have incurred indebtedness, and in the future will continue to incur indebtedness, to finance their operations. A material proportion of the Group's indebtedness has been incurred by The Issuer's subsidiaries.

In the event of the insolvency of any of the Issuer's subsidiaries, claims of secured and unsecured creditors of that subsidiary, including trade creditors, banks and other lenders, will have priority with respect to the assets of that subsidiary over any claims that the Issuer or the creditors of the Issuer, as applicable, may have with respect to those assets.

Accordingly, if the Issuer became insolvent at the same time, claims of the Noteholders against the Issuer in respect of the Transaction Documents would be structurally subordinated to the claims of the creditors of any insolvent subsidiary of the Issuer. The Conditions of the Notes do not restrict the amount of indebtedness that the Group may incur, including indebtedness of subsidiaries.

The terms of certain Group indebtedness contain financial covenants which may limit the Group's operating flexibility

As at 31 December 2023, the covenants of 17 borrowing arrangements entered into by Group entities require maintaining a minimum tangible net worth. Five loans require a minimum tangible net worth of AED 6 billion and 12 loans require a minimum tangible net worth of AED 4 billion. Should any of those borrowers need, in the future, to renegotiate any financial or restrictive covenants or obtain a waiver in respect of any breach of such a covenant, no assurance can be given that it will be successful. Any failure to renegotiate such covenants could restrict the relevant subsidiary's ability to raise financing in the future. In addition, any breach of such covenants which is not waived by the relevant lender could result in the relevant financing being accelerated and potentially trigger cross default provisions under other financing arrangements entered by Group companies. In such a case, the relevant subsidiary's liquidity and financial position, and that of the Group, could be materially adversely affected.

The Group is exposed to a range of financial risks including the risk of losses arising as a result of adverse changes in interest rates or certain currency exchange rates and the risk that the

existing U.S. dollar/dirham peg is terminated or altered in a manner that adversely impacts the Group

The Group's principal financial risks are its exposures to movements in exchange rates, the effect of increases in interest rates on its outstanding floating rate borrowings and the effect of decreases in interest rates on its cash balances. The principal exchange rates to which the Group is exposed are the rates between the dirham and the Egyptian pound and the dirham and pounds sterling. Note 40.5(a) to the 2023 Financial Statements contains an analysis of the sensitivity of the Group's monetary and non-monetary assets and liabilities to changes in these exchange rates as at 31 December in each of 2023 and 2022. The analysis shows that a 5 per cent. increase or decrease in the relevant foreign exchange rate, with all other variables held constant, would have affected the Group's net equity by, in the case of the Egyptian pound, AED 61 million in 2023 and AED 63 million in 2022 and, in the case of pounds sterling, AED 24 million in 2023. The Group is also exposed to the risk of termination of, or a negative adjustment to, the existing U.S. dollar/dirham peg which would impact its borrowings denominated in U.S. dollars.

Note 40.5(b) to the 2023 Financial Statements contains an analysis of the sensitivity of the Group's exposure to interest rates for its non-derivative instruments as at 31 December in each of 2023 and 2022. For floating rate assets and liabilities, the analysis is prepared assuming the amount of asset or liability outstanding at the relevant year end was outstanding for the whole of the year. This sensitivity analysis indicates that if interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's net profit for 2023 would have increased or decreased by AED 42 million and its net profit for 2022 would have increased or decreased by AED 15 million. The Group seeks to manage its interest rate risk through borrowing at fixed rates and the use of interest rate derivative contracts in relation to floating rate borrowings where considered appropriate. There is no assurance that the Group will be successful in this, and the use of derivative instruments carries additional risks, including the potential to negatively impact the Group's statement of comprehensive income and the credit risk on the derivative counterparty.

In addition, the Group is subject to a range of credit risks, particularly in relation to its trade and other receivables and its cash and cash equivalent balances with financial institutions, and to liquidity risk, which is the risk that it will not be able to pay its liabilities as they fall due. As at 31 December 2023, the Group's allowance for expected credit losses (ECL) in respect of its trade receivables was equal to 4.3 per cent. of its gross trade receivables compared to 6.2 per cent. as at 31 December 2022 and 3.5 per cent. as at 31 December 2021. As at 31 December 2023, 6 per cent. of the Group's trade receivables were due from its top five customers.

The Group's credit ratings may change and any ratings downgrade could make it more expensive for the Group to obtain new financing and adversely affect the value of the Notes

The Group has a long-term rating of Baa2 (with a stable outlook) from Moody's, most recently confirmed in a credit opinion dated 16 August 2024.

The Group cannot be certain that a credit rating will remain for any given period or that a credit rating will not be downgraded or withdrawn entirely by the relevant rating agency if, in its judgment, circumstances in the future so warrant.

Any future downgrade or withdrawal at any time of a credit rating assigned to the Group by any rating agency could have a material adverse effect on its cost of borrowing and could limit its access to debt capital markets. A downgrade may also adversely affect the market price of the Notes and cause trading in the Notes to be volatile.

OTHER RISKS RELATING TO THE GROUP GENERALLY

The Group's projects or other businesses could be exposed to catastrophic events over which the Group has no control

The Group's development projects and other businesses could be adversely affected or disrupted by natural disasters (such as earthquakes, floods, tsunamis, hurricanes, volcanoes, fires or typhoons) or other catastrophic events, including, but not limited to:

- changes to predominant natural weather, hydrologic and climatic patterns, including sea levels;
- major accidents, including chemical and radioactive or other material environmental contamination; and
- major epidemics affecting the health of persons in the region and travel into the region.

The occurrence of any of these events at one or more of the Group's development projects may cause disruptions to the Group's operations. In addition, such an occurrence may increase the costs associated with the Group's development projects, may subject the Group to liability or impact its brand and reputation and may otherwise hinder the normal operation of the Group's facilities, which could have a material adverse effect on its business, results of operations, cash flows and financial condition. The effect of any of these events on the Group's financial condition and results of operations may be worsened to the extent that any such event involves risks for which the Group is uninsured or not fully insured, see "*—The Group may not have adequate insurance*" below.

The Group is subject to environmental and health and safety laws, regulations and standards

The Group has adopted safety standards to comply with applicable laws and regulations in the UAE and the other jurisdictions in which it undertakes developments or has investment or hospitality properties. In addition, safety requirements are contractually agreed to by the Group's contractors. If the Group and/or one or more of its contractors fails to comply with the relevant standards, either or both may be liable to penalties and the Group's business and/or reputation might be materially and adversely affected.

In addition, the Group seeks to ensure that it and its contractors comply with all applicable environmental laws in the UAE and the other jurisdictions in which the Group operates. While the Group believes that it is compliant with applicable environmental laws, there can be no assurance that the Group will not be subject to environmental liability. If an environmental liability arises in relation to any of the Group's development projects or investment or hospitality properties and is not remedied, or is not capable of being remedied, this may have a material adverse effect on such project and the Group's business, results of operations, cash flows and financial condition. In addition, the liability could result in a reduction of the value of the relevant project or investment or hospitality property or affect the Group's ability to dispose of residential units in such project or the investment or hospitality property concerned.

Amendments to the existing laws and regulations relating to health and safety and environmental standards may impose more burdensome and costlier requirements and the Group's compliance with such laws or regulations may require it to incur significant capital expenditure or other obligations or liabilities, which may have a material adverse effect on the Group's business, results of operations, cash flows and financial condition.

Competition in relation to any of the Group's businesses may increase

The Group's Aldar Development business faces competition for the development of real estate from numerous other property developers operating in the UAE and in its other markets. Competition may affect the Group's ability to sell residential units in its projects at expected prices, if at all. The Group's

competitors may lower their pricing for comparable developments, which could result in downward pricing pressure. The Group also faces the risk that competitors may anticipate and capitalise on certain potential investment opportunities in advance of the Group doing so. Increased competition may also increase the Group's costs of financing and/or materials as well as adversely impact the Group's access to land at attractive prices, or at all. Certain of the Group's competitors may have greater financial, technical, marketing or other resources, and greater geographical diversity in their operations and, therefore, may be able to withstand increased costs, price competition and volatility more successfully. Property developers may also consolidate to achieve economies of scale. If consolidation in the UAE real estate markets were to occur, there is a risk that the Group would have to operate in a more competitive marketplace and against larger competitors.

In its Aldar Investment business, the Group competes with numerous public and privately held companies that provide residential, retail, commercial and logistics leasing space, own, operate or manage hotels, leisure facilities and schools and/or provide property and facility management services. Some of these companies may have significant advantages over the Group, including greater brand recognition, longer operating histories, lower operating costs, pre-existing relationships with current or potential customers and greater financial, marketing and other resources. These advantages could allow the Group's competitors to respond more quickly to strategic opportunities or market changes. If the Group's competitors offer investment properties, hotels, leisure facilities, schools or property and facility management services that the Group's existing or potential customers perceive to be superior, or if the Group's competitors offer pricing that is below the pricing offered by the Group or current market rates, the Group may, (i) in relation to its investment properties, lose existing or potential customers, incur costs to improve its investment properties or be forced to reduce its rental rates, (ii) in relation to its hospitality and leisure properties and schools, experience lower volumes of guests, visitors or students and/or incur increased costs to effect improvements or increase marketing or (iii) in relation to its property and facility management services lose clients, any of which would adversely affect its revenue and profitability from these activities.

The Group's business has depended on its relationship with the Government and continues to depend on the Government's implementation of its development strategy

Abu Dhabi's leaders have a long-term strategy of diversifying Abu Dhabi's economy away from its reliance on oil and gas as the single major revenue source and with a view to creating conditions that are beneficial to the people of Abu Dhabi.

The Issuer was created in 2005 to play an integral role in this strategy by undertaking development projects of a strategic nature in Abu Dhabi. The Government is indirectly the largest shareholder in, and the largest single customer and a significant tenant and supporter of, the Group. As at 30 September 2024, 25.12 per cent. of the Issuer's shares were held indirectly by the Government and, in the nine months ended 30 September 2024, the Government accounted for 8.4 per cent. of the Group's revenue and rental income.

Because of the various relationships that the Group has with the Government, any adverse change in the Group's relations with the Government or changes in the Government's development strategy (or in the timing for implementation of significant aspects of that strategy) could have a material adverse effect on the Group.

The Group is exposed to operational risks, including IT-related and compliance risks

The proper functioning of the Group's information technology ("IT") systems is critical to its business and ability to compete effectively. The Group's business activities would be materially disrupted if there is a partial or complete failure of any of its IT systems. Such failures can be caused by a variety of factors, all of which are wholly or partially outside its control, including natural disasters, extended power outages, computer viruses and malicious third-party intrusions. Although the Group has implemented operational risk controls and loss mitigation strategies with respect to its IT systems, no assurance can

be given that these will always be effective, particularly against cyber-attacks which are increasing in scale and frequency around the world.

Operational risk and losses can also result from fraud and errors by the Group's employees, failure to comply with regulatory requirements and equipment failures. The Group's employees could engage in misrepresentation, misconduct or improper practice that could expose the Group to direct and indirect financial loss and damage to its reputation. Such practices may include embezzling clients' funds, engaging in corrupt or illegal practices, intentionally or inadvertently releasing confidential information about clients or failing to follow internal procedures. It will not always be possible for the Group to detect or prevent these types of misconduct, and the precautions which the Group takes to detect and prevent such misconduct may not be effective in all cases.

Any material operational disruption could expose the Group to financial losses resulting from the need to reimburse clients who suffered loss or due to fines or other regulatory sanctions, and could damage the Group's reputation, particularly if it also involved the release of confidential client data.

The Group may not have adequate insurance

Although the Group seeks to ensure that its operating businesses are appropriately insured, no assurance can be given that any existing insurance policies will be renewed on equivalent terms or at all. In addition, the Group's businesses could suffer damage that results in losses (including loss of future revenue or income) that may not be fully compensated by insurance. Further, certain types of risks and losses (for example, losses resulting from acts of war or certain natural disasters) are not economically insurable or generally insured. If an uninsured or uninsurable loss were to occur or if insurance proceeds were insufficient to compensate for the loss experienced, the Group's business could be materially adversely affected.

Where an insured against event occurs, there is no certainty that any proceeds of insurance received will fully cover the loss experienced by the Group. The Group's insurance policies may be subject to deductibles or exclusions that could materially reduce the amount recoverable by the Group and, in certain circumstances, the policies could be void or voidable at the option of the insurer. In addition, the Group's insurers may become insolvent and therefore not be able to satisfy any claim in full or at all.

Legal and regulatory systems may create an uncertain environment for investment and business activities

The UAE may experience changes in its economy and government policies (including, without limitation, policies relating to property and contractual rights, and policies relating to tax (for instance, a new corporate tax was introduced in the UAE and applies to accounting periods commencing after 1 June 2023)) that may have a material adverse effect on the Group's business.

The Group is subject to laws relating to the ownership, sale and leasing of real estate in the UAE, laws relating to the operation of shopping malls, hotels, leisure attractions and schools, and many other more generally applicable laws, and its overseas operations are subject to the laws regulating their activities in those jurisdictions. All laws are subject to change and the way laws and related regulations are applied is, in many cases, evolving. The Group may not adapt, forecast or position itself to successfully operate in any new regulatory environment and any such failure may have a material adverse effect on it.

Certain of the Group's businesses require the maintenance and renewal of commercial licences and permits. Because of the complexities involved in procuring and maintaining numerous licences and permits, as well as in ensuring continued compliance with applicable licensing regimes, there is no assurance that the Group will comply with all the requirements imposed on each of its businesses, although it is not aware of any material breaches that currently exist.

Any failure by the Group to comply with applicable laws and regulations or to obtain and maintain requisite approvals, certifications, permits and licences could lead to substantial sanctions, including criminal, civil or administrative penalties, revocation of its licences and/or increased regulatory scrutiny, and liability for damages. In certain cases, the Group could also be forced to suspend operations until it obtains required approvals, certifications, permits or licences or otherwise brings its operations into compliance. In addition, any adverse publicity resulting from any compliance failure could have a material adverse effect on it.

No assurance can be given that relevant governments will not implement new laws or regulations relating to the Group's businesses or adopt fiscal or monetary policies, including those relating to or affecting taxation, interest rates or exchange controls, or otherwise take actions which could have a material adverse effect on the Group.

The Group is dependent upon its ability to retain and recruit the necessary personnel to meet its business needs

Competition for qualified personnel is strong in the Group's markets and the Group faces the risk of losing employees to competitors and other employers who can offer more competitive compensation packages and being unable to find replacements in a timely manner. Any of the Group's business could be adversely affected if it loses the services and contributions of skilled personnel and is unable to adequately replace them in a timely manner.

RISKS RELATING TO ABU DHABI AND THE UAE

The Group is subject to economic conditions in Abu Dhabi and the UAE

Approximately 92 per cent. of the Group's assets are in the UAE, and predominantly in Abu Dhabi. The Group's results of operations are, and will continue to be, generally affected by economic developments in or affecting Abu Dhabi and the UAE and by the level of economic activity in Abu Dhabi and the UAE. A general downturn or instability in certain sectors of the Abu Dhabi or UAE economies, or in the regional economy generally, could have an adverse effect on the Group, see *"Risks relating to the Group—The success of the Group's business is dependent on Abu Dhabi's economy and is significantly affected by trends in Abu Dhabi's real estate market, each of which may be adversely impacted by a range of factors outside the Group's control"* above.

Governments in the MENA region, including the UAE, have frequently intervened in the economic policy of their respective countries. This intervention has included regulation of market conditions, including foreign investment, foreign trade, financial services and oil and gas services. Any unexpected interventions in countries in the MENA region could lead to increased operating or compliance expenses and could have the effect of decreasing the Group's competitiveness or otherwise have a material adverse effect on the Group's business, financial condition and results of operations. These interventions could include:

- governmental measures to curb inflation, including through policies such as price controls;
- governmental actions or interventions, including tariffs, protectionism, foreign exchange and currency controls and subsidies;
- regulatory and legal changes, including foreign ownership restrictions, cancellation of contractual rights, expropriation of assets and potential lack of certainty as to title to real estate property;
- changes to the availability of, requirements for, and cost to secure, employment and residence visas for expatriate staff and their dependents;
- the introduction of income and other taxes;

- policies of nationalisation of assets and requirements to employ local national employees; and
- difficulties and delays in obtaining permits and consents for new operations or renewing existing permits.

Moreover, while the UAE and Abu Dhabi governments' policies have generally resulted in improved economic performance, there can be no assurance that such level of performance can be sustained. No assurance can be given that the UAE or Abu Dhabi government will not implement restrictive fiscal or monetary policies or regulations, including changes with respect to profit rates, new legal interpretations of existing regulations or the introduction of taxation or exchange controls which could have a material adverse effect on the Group.

Geopolitical tensions, instability and the escalation of armed conflict in the MENA region may adversely affect the Group's business

While the UAE is seen as a relatively stable political environment, certain other jurisdictions in the Middle East are not. Instability in the Middle East may result from factors including government or military regime change, civil unrest or terrorism. Since early 2011 there has been political unrest in numerous countries in the MENA region, which has ranged from public demonstrations to, in extreme cases, armed conflict, civil war and the overthrow of existing leadership and has given rise to increased political uncertainty across the region. The MENA region is currently subject to armed conflicts including those in Syria, Yemen, Gaza, Lebanon and the multinational conflict with Islamic State.

Certain GCC countries have experienced attacks on their oil and gas infrastructure. For example, the most recent attack in Saudi Arabia occurred in March 2022, when oil facilities in Jeddah and Jizan were targeted and, in January and February 2022, a small number of drone and missile attacks were made on ADNOC facilities in Abu Dhabi.

In October 2023, Israel declared war on Hamas and invaded the Gaza strip in response to an attack in southern Israel from the Gaza Strip. Since October 2023, there have been numerous maritime incidents in and around the Red Sea, prompting multiple United States and UK air strikes on Al Houthi military assets in Yemen, which are continuing. In mid-April 2024, Israel attacked an Iranian diplomatic building in Damascus, killing officers in Iran's Islamic Revolutionary Guards and Iran launched a combined missiles and drones attack on Israel in response. More recently, Israel has conducted strikes against Hezbollah in Lebanon and a strike on military assets in Iran. This situation remains volatile and uncertain and could escalate significantly.

It is not possible to predict the occurrence of events or circumstances, such as war or hostilities, or the impact of such occurrences, and no assurance can be given that the Group would be able to sustain the operation of its business if adverse political events or circumstances were to occur. Investors should also note that the Group's business and financial performance could be adversely affected by regional geo-political events that prevent it from delivering its services.

Any of the foregoing circumstances could have a material adverse effect on the political and economic stability of Abu Dhabi and the UAE and, in particular, could impact the numbers of tourists that choose to visit Abu Dhabi and the UAE and the number of businesses interested in doing business in Abu Dhabi and the UAE and, consequently, could have a material adverse effect on the Group.

The UAE's economy is dependent upon its oil revenue

The UAE's economy, and the economy of Abu Dhabi in particular, is dependent upon oil revenue. Abu Dhabi's crude oil reserves represent approximately 95 per cent. of the UAE's total crude oil reserves. In 2023, Abu Dhabi's nominal GDP amounted to 58.3 per cent. of the UAE's nominal GDP and the hydrocarbon sector accounted for 40.8 per cent. of Abu Dhabi's nominal GDP according to data published by SCAD and the FCSC. Abu Dhabi's economy has in the past been adversely affected by periods of low international oil prices, including in 2020 when its nominal GDP fell by 22.9 per cent. compared to 2019.

Abu Dhabi's real GDP (which excludes the impact of volatile hydrocarbon prices) fell by 7.7 per cent. in 2020 compared to 2019 principally due to the impact of the COVID-19 pandemic and grew by 3.4 per cent. in 2021, by 9.3 per cent. in 2022 as restrictions imposed to combat COVID-19 were relaxed around the world and a post COVID-19 economic recovery ensued, and by 3.1 per cent in 2023.

Hydrocarbon prices are expected to continue to fluctuate in the future in response to changes in many factors over which the Group has no control. Factors that may affect the price of oil include, but are not limited to:

- economic and political developments in oil producing regions, particularly in the Middle East and Russia;
- global and regional supply and demand which may be affected by a wide range of factors including, as evidenced during 2020, restrictions taken to combat pandemic diseases, and expectations regarding future supply and demand, for hydrocarbon products;
- the ability of members of OPEC and other nations producing crude oil to agree upon and maintain specified global production levels and prices;
- the impact of international environmental regulations designed to reduce carbon emissions;
- other actions taken by major crude hydrocarbon producing or consuming countries;
- prices and availability of alternative fuels, global economic and political conditions, prices and availability of new technologies using alternative fuels; and
- global weather and environmental conditions.

Declines in international prices for hydrocarbon products in the future could therefore adversely affect Abu Dhabi's and the UAE's economies which, in turn and particularly if Abu Dhabi's real estate market is also adversely affected, could have a material adverse effect on the Group. See "*Risks relating to the Group—The success of the Group's business is dependent on Abu Dhabi's economy and is significantly affected by trends in Abu Dhabi's real estate market, each of which may be adversely impacted by a range of factors outside the Group's control*" above.

Investing in securities involving emerging markets countries, such as the UAE, generally involves a higher degree of risk than investments in securities of issuers from more developed countries

Investing in securities involving emerging markets countries, such as the UAE, generally involves a higher degree of risk than investments in securities of issuers from more developed countries. In the case of the UAE, these higher risks include those discussed above. In addition, there can be no assurance that the market for securities bearing emerging market risk, such as the Notes, will not be affected negatively by events elsewhere, especially in emerging markets.

International investors' reactions to events occurring in one emerging market country or region sometimes appear to demonstrate a "contagion" effect, in which an entire region or class of investment is disfavoured by such investors. If such an effect were to occur, the trading price of the Notes could be adversely affected by negative economic or financial developments in other emerging market countries over which the UAE government has no control.

In addition, the economies of emerging markets are more susceptible to influence by macroeconomic policy decisions of developed countries than other more developed markets. Emerging market economies have in the past demonstrated sensitivity to periods of economic growth and interest rate movements of developed economies. No assurance can be given that this will not be the case in the future.

Accordingly, an investment in the Notes carries risks that are not typically associated with investing in securities issued by issuers in more mature markets. These risks may be compounded by any incomplete, unreliable or unavailable economic and statistical data on the UAE, including elements of information provided in these Listing Particulars. Prospective investors should also note that emerging economies, such as the UAE's, are subject to rapid change and that the information set out in these Listing Particulars may become out-dated relatively quickly. Accordingly, prospective investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, considering those risks, their investment is appropriate. Generally, investment in emerging markets is suitable only for sophisticated investors who fully appreciate the significance of the risks involved. Prospective investors are urged to consult with their own legal and financial advisers before making an investment decision.

RISKS ASSOCIATED WITH THE STRUCTURE OF THE NOTES

The obligations of the Issuer are conditional and deeply subordinated in right of payment

Prospective investors should note that the obligations of the Issuer under the Notes are subordinated in right of payment to the prior payment in full of all other liabilities of the Issuer, except for *Pari Passu* Securities and Junior Securities (each as defined in Condition 1 (*Definitions and Interpretation*)) of the Issuer. In addition, the payment obligations of the Issuer under the Notes are, at all times, subject to the Issuer being Solvent at the time of such payment in accordance with Condition 4.3 (*Status and Subordination - Solvency Conditions*).

For this purpose the Issuer shall be "**Solvent**" if, at the time of the relevant payment under the Notes: (a) it is able to pay its debts as they fall due; and (b) its Assets exceed its Liabilities.

In the case of paragraph (a) above, the Issuer must also be capable of making the relevant payment under the Notes and any other payment in respect of all Senior Obligations and *Pari Passu* Obligations and still be Solvent immediately thereafter.

"**Assets**" means the consolidated gross assets of the Issuer as shown in the latest audited or (as the case may be) auditor reviewed consolidated balance sheet of the Issuer, but adjusted to reflect the prevailing market value of such assets (including the prevailing market value of any equity held by the Issuer in any company) and for any other subsequent events in such manner as the directors of the Issuer (and as certified by the Auditors in the case of non-payment by the Issuer), the Auditors or (if a bankruptcy trustee (or any equivalent insolvency practitioner) has been appointed in respect of the Issuer) a bankruptcy trustee (or such equivalent insolvency practitioner) may determine.

"**Liabilities**" means the consolidated gross liabilities of the Issuer as shown in the latest audited or (as the case may be) auditor reviewed consolidated balance sheet of the Issuer, but adjusted for contingent liabilities and for subsequent events in such manner as the directors of the Issuer (and as certified by the Auditors in the case of non-payment by the Issuer), the Auditors or (if a bankruptcy trustee (or any equivalent insolvency practitioner) has been appointed in respect of the Issuer) a bankruptcy trustee (or such equivalent insolvency practitioner) may determine.

Furthermore, any indication or perceived indication that any of the Solvency Conditions may not be satisfied or that a bankruptcy order may be issued may have a material adverse effect on the market price of the Notes and could lead to holders losing some or all of their investment in the Notes.

Prior to the appointment of a trustee in bankruptcy, if the Issuer is not Solvent, the rights and claims of the Noteholders under the Notes against the Issuer are limited

Prior to the appointment of a trustee in bankruptcy (as described below) the determination of whether the Issuer is Solvent will be made by the board of directors of the Issuer together with, in the case of an assessment of the Assets and Liabilities of the Issuer, the auditors of the Issuer. If the Noteholders wish

to challenge any such determination or non-payment by the Issuer, the sole recourse available to the Noteholders will be to institute proceedings for the winding-up, bankruptcy, dissolution or liquidation (or analogous event) of the Issuer and/or prove in the winding-up, bankruptcy, dissolution or liquidation (or analogous event) of the Issuer.

Since the Issuer is a holding company and substantially all of its operations are conducted through its subsidiaries, unconsolidated joint ventures and associates, its ability to make payments in respect of the Notes, depends on its ability to obtain cash dividends or other cash payments or obtain loans from such entities

The Issuer currently conducts substantially all of its operations through its subsidiaries, unconsolidated joint ventures and associates, and such entities generate substantially all of the operating income and cash flow of the Issuer. Since the Issuer has no direct operations or significant assets other than the capital stock of these entities, it relies on free cash flow of its subsidiaries, cash dividends from its joint ventures and associates, investment income, financing proceeds and other permitted payments from its subsidiaries, joint ventures and associates to make principal and interest payments on its debt (including the Notes issued by it), pay operating expenses and pay other obligations that may arise from time to time.

The ability of such subsidiaries, joint ventures and associates to make payments to the Issuer depends largely on the financial condition, ability to generate profits and ability to distribute such amounts, if any, of such entities. Since such subsidiaries, joint ventures and associates are separate and distinct legal entities, they will have no obligation to pay any dividends or to lend or advance funds to the Issuer and may be restricted from doing so by contract, including other financing arrangements, charter provisions, other shareholders or partners or the applicable laws and regulations of the various countries in which such entities operate. Similarly, because of the holding company structures of the Issuer, claims of the creditors of such subsidiaries, joint ventures and associates, including trade creditors, banks and other lenders, effectively have priority over any claims that the Issuer may have with respect to the assets of these entities (see further "*Claims in respect of the Notes will be structurally subordinated to claims of creditors of the subsidiaries of the Issuer*").

No assurance can be given that such subsidiaries, joint ventures or associates will generate sufficient profits and cash flows, or otherwise prove willing or able, to pay dividends or lend or advance sufficient funds to the Issuer to enable it to meet its obligations, pay interest and pay expenses. The inability of one or more of these entities to pay dividends or lend or advance funds to the Issuer could have a material adverse effect on the business, prospects, results of operation and financial condition of the Issuer or the Group.

Claims in respect of the Notes will be structurally subordinated to claims of creditors of the subsidiaries of the Issuer

In the event of a winding-up or insolvency of one of the subsidiaries of the Issuer, claims of secured and unsecured creditors of such subsidiary, including trade creditors, banks and other lenders, will have priority with respect to the assets and revenues of such subsidiary over any claims that the Issuer or the creditors of the Issuer may have with respect to such assets and revenues. Generally, all of the obligations of a subsidiary of the Issuer would have to be satisfied before any of the assets or revenues of such subsidiary would be available, upon liquidation or otherwise, to the Issuer or the creditors of the Issuer. The Notes will therefore be structurally subordinated to the indebtedness of the subsidiaries of the Issuer, the amount of which is not subject to contractual limitations under the terms of the Notes.

If the Issuer is not Solvent, the rights and claims of the Noteholders under the Notes against the Issuer will be extinguished

If the board of directors of the Issuer together with, in the case of an assessment of the Assets and Liabilities of the Issuer, the auditors of the Issuer, make a determination that the Issuer is not Solvent, the rights and claims of the Noteholders under the Notes against the Issuer will be extinguished.

In the event that bankruptcy proceedings (or any analogous actions) are commenced in relation to the Issuer (which would be by application to a court in the UAE by any creditor (including the Noteholders), the relevant Guarantor itself or a public prosecutor), the court will, if it is satisfied that a bankruptcy order should be issued based on the inability of the Issuer to pay its debts as they fall due, issue a bankruptcy order and appoint a trustee in bankruptcy, in respect of the Issuer. The responsibilities of the trustee in bankruptcy include verifying the Issuer's debts and preserving, managing and realising the assets of the Issuer.

As part of the process of verification of the Issuer's debts and specifically in relation to the Notes, the trustee in bankruptcy is required to determine whether the Issuer is Solvent. If the trustee in bankruptcy determines that the Issuer is not Solvent, the rights and claims of the Noteholders under the Notes against the Issuer will also be extinguished.

Following extinguishment of the rights and claims of the Noteholders no amounts will be paid to the Noteholders

Even if, following the realisation of the Issuer's assets and payments having been made to all prior ranking creditors of the Issuer, residual amounts are available as part of the bankruptcy estate of the Issuer, the rights and claims of the Noteholders shall remain extinguished. Instead, such residual amounts will most likely be paid to the shareholders of the Issuer.

Further, it is possible for a company in bankruptcy proceedings in the UAE to agree a composition with its verified creditors (which, as described above, would not include the Noteholders) and if such composition resulted in the Issuer not being liquidated or dissolved but being permitted to continue its business as a going concern, the rights and claims of the Noteholders under the Notes against the Issuer should remain extinguished (although prospective investors should note that the insolvency regime in the UAE is largely untested and there is little guidance as to how the legislative framework will be applied in practice).

Due to the deeply subordinated nature of the obligations arising under the Notes, the Conditions of the Notes contain limited Enforcement Events and remedies

The only events of default in the Conditions are: (a) if a default is made by the Issuer (i) as a result of an election by the Issuer to pay such amount or principal pursuant to the Conditions or (ii) otherwise for a period of seven days or more in the payment of any principal due on the Notes or 14 days or more in the payment of any interest due on the Notes; (b) a final determination is made by a court or other official body that the Issuer is insolvent or bankrupt or unable to pay its debts; or (c) an administrator is appointed, an order is made or an effective resolution is passed for the winding-up or dissolution or administration of the Issuer or the Issuer applies or petitions for a winding-up or administration order in respect of itself or ceases, or through an official action of its directors threatens to cease, to carry on all or substantially all of its business or operations (subject to the exceptions contained in and as more fully described in Condition 1 (*Definitions and Interpretation*) and Condition 9.1 (*Enforcement Events - Enforcement Event*)). Therefore, it will only be possible for the Noteholders to enforce claims for payment of principal or interest of the Notes when the same have become due pursuant to the Conditions. Moreover, pursuant to Condition 9.2 (*Enforcement Events - Dissolution Remedies*), upon the occurrence of any such event of default, the remedies available to the Noteholders are limited to: (i) instituting steps, actions or proceedings for the winding-up, bankruptcy, dissolution or liquidation (or analogous event) of the Issuer; (ii) prove or claim in the winding-up bankruptcy, dissolution or

liquidation (or analogous event) of the Issuer; and/or (iii) claiming in the liquidation of the Issuer for the payment referred to in paragraph (a) above and/or giving notice to the Issuer that the Notes are, and shall immediately become, due and payable at their principal amount together with any accrued and unpaid interest to such date and any Optionally Outstanding Payments, subject in each case to the Noteholders having a claim against the Issuer under the conditional subordination described above (see "*The obligations of the Issuer are conditional and deeply subordinated in right of payment*").

Furthermore, to the extent and in the manner permitted by applicable law, no Noteholder may exercise, claim or plead any right of set-off, counterclaim, abatement or other similar remedy in respect of any amount owed to it by the Issuer in respect of, or arising from, the Notes and each Noteholder will, by virtue of his holding of any Note, be deemed to have waived all such rights of set-off, counterclaim, abatement or other similar remedy.

Furthermore, the claims of Senior Creditors of the Issuer will first have to be satisfied in any winding-up, bankruptcy, dissolution, liquidation or analogous proceedings before the Noteholders may expect to obtain any recovery in respect of their Notes and prior thereto Noteholders will have only limited (if any) ability to influence the conduct of such winding-up, bankruptcy, dissolution, liquidation or analogous proceedings. As noted above (see – "*If the Issuer is not Solvent, the rights and claims of the Noteholders under the Notes against the Issuer will be extinguished*"), if the condition as to Solvency set out in Condition 4.3 (*Status and Subordination - Solvency Conditions*) is not satisfied, the holders of the Notes shall not be entitled to receive any amounts under the Notes in the winding-up or liquidation of the Issuer.

The insolvency regime in the UAE is largely untested with little guidance as to how the legislative framework will be applied in practice

Prospective investors should note that the insolvency regime in the UAE is largely untested as there have been no large scale insolvencies. As a result, there is little guidance as to how the UAE legislative framework will be applied in practice and, in particular, the definitive approach that would be adopted by a trustee in bankruptcy appointed by a court in the UAE in relation to the Issuer in assessing the claims of senior and subordinated creditors of a company incorporated in the UAE.

The Issuer may elect to defer interest payments under the Notes

The Issuer may elect, in its sole and absolute discretion, to defer all or some of the interest which would otherwise be payable on the Notes on any Interest Payment Date. While the deferral of payment of interest continues, the Issuer is not prohibited from making payments on any instrument ranking senior to the relevant Notes and, in such event, the Noteholders are not entitled to claim immediate payment of interest so deferred.

All deferred interest on the Notes shall constitute Optionally Deferred Payments in accordance with Condition 5.4 (*Interest Deferral and Interest Deferral - Interest Deferral*). Optionally Deferred Payments shall themselves bear interest as if they constituted the principal of the Notes at the Interest Rate and the amount of such interest. After the Issuer has fully paid all Optionally Deferred Payments on the Notes, if the Notes remain outstanding, future interest payments on the Notes may be subject to further deferral as described above.

Any actual or anticipated deferral of interest payments will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest deferral provision of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the Issuer's financial condition.

No limitation on issuing senior or pari passu securities

There is no restriction on the Issuer incurring additional indebtedness or issuing securities or creating any guarantee or contractual support arrangement which would rank senior to or *pari passu* with the Notes, and which may reduce the likelihood of the Solvency Conditions being met and/or the amount (if any) recoverable by holders of the Notes on a winding-up or liquidation of the Issuer.

In addition, the Notes do not contain any "negative pledge" or similar clause, meaning that the Issuer and its subsidiaries may pledge its or their assets to secure other obligations without granting similar security in respect of the Notes.

Resettable fixed rate instruments have a market risk

A holder of an instrument with a fixed interest rate that will be reset during the term of the instrument (as will be the case for the Notes with effect from the First Reset Date if not previously redeemed and/or purchased and cancelled) is exposed to the risk of fluctuating interest rate levels and uncertain interest income. While the expected interest rate on the Notes is fixed until the First Reset Date (with a reset of the interest rate on each Reset Date as set out in the Conditions), the current investment return rate in the capital markets (the "**market return rate**") typically changes on a daily basis. As the market return rate changes, the market value of the Notes may also change, but in the opposite direction. If the market return rate increases, the market value of the Notes would typically decrease. If the market return rate falls, the market value of the Notes would typically increase. The holders of Notes should be aware that movements in these market return rates can adversely affect the market value of the Notes and can lead to losses for the holders of Notes if they sell the Notes.

Substitution or Variation of the Notes upon the occurrence of a Tax Event, Rating Methodology Event or Tax Deducibility Event

Upon the occurrence of a Tax Event or a Rating Methodology Event, the Issuer may, subject as provided in Condition 8.8 (*Redemption, Substitution and Variation - Substitution or Variation to remedy a Tax Event, Rating Methodology Event or Tax Deducibility Event*) and without the need for any consent of the holders of the Notes, substitute the Notes for or vary the terms of the Notes such that they become or remain (as appropriate), Qualifying Notes.

Whilst Qualifying Notes are required to have terms not otherwise materially less favourable to Noteholders than the terms of the Notes, there can be no assurance that the substitution or variation of the Notes will not have a significant adverse impact on the price of, and/or market for, the Notes or the circumstances of relevant individual Noteholders. For example, it is possible that the Qualifying Notes or the Notes as so varied will contain conditions that are contrary to the investment criteria of certain investors. Furthermore, the tax and stamp duty consequences for any Noteholders following substitution or variation as contemplated in Condition 8.8 (*Redemption, Substitution and Variation - Substitution or Variation to remedy a Tax Event, Rating Methodology Event or Tax Deducibility Event*) could be different for certain holders of the Notes from the tax and stamp duty consequences for them of holding the Notes prior to such substitution or variation and the Issuer shall not be responsible to any holder of the Notes for any such consequences in connection therewith. No assurance can be given as to whether any of these changes will negatively affect any particular holder of the Notes or the market value of the Notes.

The Notes may be redeemed early

Pursuant to Condition 8.2 (*Redemption, Substitution and Variation - Issuer call right and early redemption at the option of the Issuer*), the Issuer may (on any date on or after the Issue Date, whether or not an Interest Payment Date) redeem all, but not some only, of the Notes at the relevant Early Redemption Amount.

In addition (on any date on or after the Issue Date, whether or not an Interest Payment Date), upon the occurrence of a Tax Event, a Rating Methodology Event, a Change of Control Event, a Substantial

Repurchase Event or a Tax Deducibility Event, all but not some only, of the Notes may be redeemed by the Issuer, in each case in accordance with Conditions 8.3 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Tax Event*), 8.4 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Rating Methodology Event*), 8.5 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Change of Control Event*), 8.6 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Substantial Repurchase Event*) or 8.7 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Tax Deducibility Event*), as the case may be.

There is no assurance that the holders of the Notes will be able to reinvest the amount received upon redemption at a rate that will provide the same rate of return as their investment in the Notes. Potential investors should consider re-investment risk in light of other investments available at that time.

The exercise of (or perceived likelihood of exercise of) the redemption features of the Notes may limit their market value, which is unlikely to rise substantially above the price at which the Notes can be redeemed.

Modification

The Conditions contain provisions for calling meetings of holders of the Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders of the Notes including holders of the Notes who did not attend and vote at the relevant meeting and holders of the Notes who voted in a manner contrary to the majority.

The Conditions also provide that the Fiscal Agent and the Issuer may agree, without the consent of holders of the Notes, to any modification of any Notes, in the circumstances specified in Condition 14 (*Meetings of Holders of the Notes and Modification*).

The Conditions also provide that the Issuer may, without the consent or approval of the holders of the Notes, substitute the Notes for or vary the Conditions provided that they become or, as appropriate, remain, Qualifying Notes (see "*Risk Factors – Risks associated with the structure of the Notes – Substitution or Variation to remedy a Tax Event, Rating Methodology Event or Tax Deducibility Event*").

Change of law

The Conditions are based on English law in effect as at the date of these Listing Particulars. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practices after the date of these Listing Particulars, nor can any assurance be given as to whether any such change could adversely affect the ability of the Issuer to make payments under the Notes.

Reliance on Euroclear and Clearstream, Luxembourg procedures

The Notes will be represented on issue by a Global Certificate that will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg (together, the "**ICSDs**"). Except in the circumstances described in the Global Certificate, investors will not be entitled to receive Individual Certificates. The ICSDs and their respective direct and indirect participants will maintain records of the beneficial interests in the Global Certificate. While the Notes are represented by the Global Certificate, investors will be able to trade their beneficial interests only through the ICSDs and their respective participants. While Notes are represented by the Global Certificate, the Issuer will discharge its payment obligation under such Note by making payments through the relevant clearing systems. A holder of a beneficial interest in the Global Certificate must rely on the procedures of the relevant clearing system and its participants to receive payments under the relevant Notes. The Issuer has no responsibility or

liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

Credit ratings may not reflect all risks

The Notes are expected to be assigned a rating of Baa3 by Moody's. In addition, one or more independent credit rating agencies may assign a credit rating to the Notes. Any rating may not reflect the potential impact of all risks related to the transaction structure, the market, the additional factors discussed above, or any other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by ESMA on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list as there may be delays between certain supervisory measures being taken against a relevant rating agency and publication of an updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (i) endorsed by a UK registered credit rating agency; or (ii) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Prospective investors should note that this is subject, in each case, to: (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended; and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use of existing pre-2021 ratings for regulatory purposes in the UK, provided the relevant conditions are satisfied.

If the status of the rating agency rating the Notes changes for the purposes of the EU CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of these Listing Particulars.

Taxation risks on payments

Payments made by the Issuer in respect of the Notes could become subject to taxation. Condition 10 (*Taxation*) requires the Issuer to pay additional amounts in certain circumstances in the event that any withholding or deduction is imposed by a Relevant Jurisdiction in respect of any interest payments under the Notes, such that net amounts received by the holders of the Notes after such withholding or

deduction shall equal the respective amounts of interest which would otherwise have been receivable in respect of the Notes in the absence of such withholding or deduction.

Trading in the clearing systems

As the Notes have a denomination consisting of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof, it is possible that such Notes may be traded in amounts that are not integral multiples of U.S.\$200,000. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than U.S.\$200,000 in his account with the relevant clearing system at the relevant time may not receive an Individual Certificate in respect of such holding (should Individual Certificates be printed) and would need to purchase a principal amount of Notes such that its holding amounts to at least U.S.\$200,000 in order to be eligible to receive an Individual Certificate.

If Individual Certificates are issued, holders should be aware that Individual Certificates which have a denomination that is not an integral multiple of U.S.\$200,000 may be illiquid and difficult to trade.

Risk factors relating to enforcement

Claims for specific performance

In the event that the Issuer fails to perform its obligations under the Notes, the potential remedies available to the holders of the Notes include obtaining an order for specific performance of the Issuer's obligations or a claim for damages. There is no assurance that a court will provide an order for specific performance of a contractual obligation, which is a discretionary matter for the relevant court. The amount of damages which a court may award in respect of a breach will depend upon a number of possible factors including an obligation on the holders of the Notes to mitigate any loss arising as a result of the breach. No assurance is provided on the level of damages which a court may award in the event of a failure by the Issuer to perform its obligations set out in the Notes.

Investors may experience difficulties in enforcing arbitral awards in the UAE

The payments under the Notes are dependent upon the Issuer making payments to investors in the manner contemplated under the Notes. If the Issuer fails to do so, it may be necessary for an investor to bring an action against the Issuer to enforce its obligations and/or to claim damages, as appropriate, which may be costly and time-consuming.

Furthermore, to the extent that the enforcement of remedies must be pursued in the UAE, it should be borne in mind that there is limited scope for self-help remedies under UAE law and that generally enforcement of remedies in the UAE must be pursued through the courts.

The Notes, the Agency Agreement and the Deed of Covenant are governed by English law and the parties to such documents have agreed to refer any unresolved dispute in relation to such documents to arbitration under the Arbitration Rules of the London Court of International Arbitration in London, England (the "**LCIA Rules**") with an arbitral tribunal with its seat in London.

The New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 (the "**New York Convention**") entered into force in the UAE on 19 November 2006. Accordingly, it is expected that an arbitral award obtained in a London-seated arbitration should be enforceable in Abu Dhabi in accordance with the terms of the New York Convention. In this regard, it should be noted that recognition and enforcement of an arbitral award may be refused by the Abu Dhabi courts on the grounds set out in Article V of the New York Convention. However, there is no established track record to demonstrate how the provisions of the New York Convention will be applied by the Abu Dhabi courts in practice and whether the Abu Dhabi courts will enforce a foreign arbitral award in accordance with the New York Convention (or any other applicable multilateral or bilateral enforcement treaties). This is reinforced by the lack of a system of binding judicial precedent in the UAE and the independent

existence of different Emirates within the UAE, some with their own court systems, whose rulings may have no more than persuasive force cross border. Although there are examples of foreign arbitral awards being enforced in the UAE under the New York Convention, there are other cases where the enforcement of foreign arbitral awards have been refused.

Federal Decree Law No. 42 of 2022 regarding the Law of Civil Procedure (the "**Civil Procedure Law**") also governs the enforcement of foreign arbitral awards in the UAE. Article 223 of the Civil Procedure Law provides that arbitral awards issued in a foreign state may be enforced in the UAE subject to the conditions provided under Article 222 of the Civil Procedure Law. Article 225 of the Civil Procedure Law provides that the rules on enforcement of foreign arbitral awards shall not prejudice the provisions of treaties for the enforcement of foreign judgments, orders and instruments with foreign states, which, by virtue of the operation of Article 223 of the Civil Procedure Law, should also apply in respect of arbitral awards, and accordingly include the New York Convention. However, there is no established track record to demonstrate how the Abu Dhabi courts will apply the Civil Procedure Law alongside the provisions of such treaties in practice.

In addition, Federal Law No. 6 of 2018 (the "**UAE Arbitration Law**") provides certain conditions to the enforcement of domestic arbitral awards in the UAE. There is no established track record to demonstrate how the Abu Dhabi courts will apply the UAE Arbitration Law in practice and there is a risk that, notwithstanding the Civil Procedure Law or the terms of applicable enforcement treaties, the Abu Dhabi courts may also apply such conditions to the enforcement of foreign arbitral awards in the UAE. Accordingly, there is a risk that an arbitral award obtained in a London-seated arbitration will be refused enforcement by the Abu Dhabi courts.

Investors may experience difficulties in enforcing foreign judgements in the UAE

A judgment or order of a foreign court may be enforced in the UAE, subject to the conditions provided under Article 222 of the Civil Procedure Law. However, there is no established track record to demonstrate how the Abu Dhabi courts will apply the Civil Procedure Law in practice. Abu Dhabi courts are unlikely to enforce an English court judgment without re-examining the merits of the claim.

The Abu Dhabi courts may not observe the choice by the parties of English law as the governing law of the transaction documents. In the UAE, foreign law is required to be established as a question of fact and the interpretation of English law, by a court in the UAE, may not accord with the interpretation of an English court. In principle, courts in the UAE recognise the choice of foreign law if they are satisfied that an appropriate connection exists between the relevant transaction agreement and the foreign law which has been chosen. In addition, even if English law is accepted as the governing law, this will only be applied to the extent that it is compatible with the laws of Abu Dhabi and the UAE, and public policy, order or morals in the UAE. In practice, the Abu Dhabi courts may seek to interpret English law governed documents as if they were governed by UAE law.

There have been conflicting decisions of the onshore Abu Dhabi courts with respect to the validity of asymmetrical dispute resolution clauses which provide one party with the option to choose the applicable dispute forum. Accordingly, there is a risk that the Abu Dhabi courts may find that the unilateral option to litigate in the Notes, the Agency Agreement and the Deed of Covenant is invalid, that its inclusion invalidates the arbitration agreement in the dispute resolution provisions thereof, or otherwise does not deprive the Abu Dhabi courts of jurisdiction in respect of any dispute thereunder. This gives rise to a risk that the Abu Dhabi courts may accept jurisdiction in contravention of the dispute resolution provisions of the Notes, the Agency Agreement and the Deed of Covenant, or potentially refuse to enforce an arbitral award or court judgment obtained pursuant to the dispute resolution provisions thereof. Moreover, claims may become time-barred or become subject to a counterclaim. This creates further uncertainty with respect to enforcement.

As the UAE is a civil law jurisdiction, judicial precedents in the UAE have no binding effect on subsequent decisions. In addition, there is no formal system of reporting court decisions in the UAE.

These factors create greater judicial uncertainty. The enforcement of a foreign judgment or arbitral award may be a lengthy process in the UAE.

The Issuer's waiver of immunity may not be effective under the laws of the UAE

Although the UAE has expressly waived its right in relation to state immunity, there can be no assurance as to whether such waiver of immunity would be legal, valid, binding and enforceable under the laws of the UAE. Further, there can be no assurance as to whether such waiver of immunity, if valid and binding, could or could not be revoked by the Issuer.

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk and exchange rate risk:

Absence of secondary market/limited liquidity

There is no assurance that a secondary market for the Notes will develop or, if it does develop, that it will provide the holders of the Notes with liquidity of investment or that it will continue for the life of the Notes. The Notes generally may have a more limited secondary market liquidity and may be subject to greater price volatility than conventional debt securities as they are subordinated (see "*Due to the deeply subordinated nature of the obligations arising under the Notes, the Conditions of the Notes contain limited Enforcement Events and remedies*") and the Conditions contain limited Enforcement Events and remedies (see "*Due to the deeply subordinated nature of the obligations arising under the Notes, the Conditions of the Notes contain limited Enforcement Events and remedies*").

Application has been made for the Notes to be admitted to listing on the Official List and to trading on the GEM. Application is expected to be made for the Notes to be admitted to listing on the ADX. However, there can be no assurance that any such listing will occur or will enhance the liquidity of the Notes.

Illiquidity may have an adverse effect on the market value of the Notes. Accordingly, a holder of the Notes may not be able to find a buyer to buy its Notes readily or at prices that will enable the holder of the Notes to realise a desired yield. The market value of the Notes may fluctuate and a lack of liquidity, in particular, can have a material adverse effect on the market value of the Notes. Accordingly, the purchase of Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in the Notes and the financial and other risks associated with an investment in the Notes.

Exchange rate risks and exchange controls

The Issuer will pay any principal and interest payable on the Notes in U.S. dollars. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than U.S. dollars. These include the risk that exchange rates may significantly change (including changes due to devaluation of U.S. dollars or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to U.S. dollars would decrease: (a) the Investor's Currency-equivalent yield on the Notes; (b) the Investor's Currency-equivalent value of the principal payable on the Notes; and (c) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

OVERVIEW OF THE ISSUANCE

The following description does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of these Listing Particulars. Any decision to invest in the Notes should be based on a consideration of these Listing Particulars as a whole.

Words and expressions defined in "*Terms and Conditions of the Notes*" shall have the same meanings in the following description.

Issuer:	Aldar Properties PJSC.
Description:	U.S.\$1,000,000,000 Resettable Subordinated Notes due 2055.
Structuring Advisor and Global Co-ordinator:	Citigroup Global Markets Limited
Joint Lead Managers:	Abu Dhabi Commercial Bank PJSC, Bank of China Limited, London Branch, Citigroup Global Markets Limited, Emirates NBD Bank PJSC, First Abu Dhabi Bank PJSC, HSBC Bank plc, Intesa Sanpaolo S.p.A., London Branch, J.P. Morgan Securities plc, Mashreqbank psc, RAKBANK and Standard Chartered Bank.
Fiscal Agent, Calculation Agent and Transfer Agent:	Citibank N.A., London Branch.
Registrar:	Citibank Europe plc, Germany Branch.
Issue Date:	15 January 2025.
Issue Price:	100 per cent.
Interest Payment Dates:	15 April and 15 October in every year, commencing on 15 April 2025 (short first coupon).
Interest Payment Amounts:	Subject to Condition 5.3 (<i>Interest and Interest Deferral - Interest following the occurrence of a Change of Control Event</i>), the Notes shall, during the Initial Period, bear interest at a rate of 6.6227 per cent. per annum (which equates to U.S.\$66.227 per U.S.\$1,000 in principal amount of the Notes per annum) and the first payment of interest, to be made on the First Interest Payment Date, will be in respect of the short first interest period from (and including) the Issue Date to (but excluding) the First Interest Payment Date (which equates to U.S.\$16.55675 per U.S.\$1,000 in principal amount of the Notes).

If the Notes are not redeemed in accordance with the Conditions on or prior to the First Reset Date, subject to Condition 5.3 (*Interest and Interest Deferral - Interest following the occurrence of a Change of Control Event*), the rate of interest payable on the Notes will be reset on each Reset Date on the basis of:

- (a) from (and including) the First Reset Date to (but excluding) the Step-up Date, at a fixed rate equal to the aggregate of: (i) the Relevant Five Year Reset Rate; and (ii) the Initial Margin; and
- (b) from (and including) the Step-up Date to (but excluding) the Maturity Date, at a fixed rate equal to the aggregate of: (i) the Relevant Five Year Reset Rate; (ii) the Initial Margin; and (iii) the Step-up Margin.

Upon the occurrence of a Change of Control Event, unless the Issuer redeems the Notes in full in accordance with Condition 8.5 (*Redemption, Substitution and Variation - Issuer call right and early redemption for reasons of a Change of Control Event*), the rate of interest payable on the Notes will be subject to an increase by the Change of Control Margin (above the otherwise prevailing interest rate) from (and including) the expiration of the Change of Control Redemption Period.

Form of Notes:

The Notes will be issued in registered form. The Notes will be represented on issue by ownership interests in a Global Certificate which will be deposited with, and registered in the name of a nominee of, a common depositary for Euroclear and Clearstream, Luxembourg. Ownership interests in the Global Certificate will be shown on, and transfers thereof will only be effected through, records maintained by each relevant clearing system and its participants. Individual Certificates evidencing a holding of Notes will be issued in exchange for interests in the Global Certificate only in limited circumstances.

Clearance and Settlement:

Holders of the Notes must hold their interest in the Global Certificate in book-entry form through Euroclear or Clearstream, Luxembourg. Transfers within and between Euroclear and Clearstream, Luxembourg will be in accordance with the usual rules and operating procedures of the relevant clearing systems.

Denomination:

The Notes will be issued in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.

Status of the Notes:

Each Note will at all times rank *pari passu* without any preference or priority, with all other Notes.

Subordination of the Notes:

The payment obligations of the Issuer under the Notes the "**Relevant Obligations**") will constitute direct, unsecured, conditional (as described in Condition 4.3 (*Solvency Conditions*)) and subordinated (as described below) obligations of the Issuer; and will rank (i) subordinate and junior to all Senior Obligations but not further or otherwise; (iv) *pari passu* with all *Pari Passu* Obligations; and (v) in priority only to all Junior Obligations.

Subject to, and to the extent permitted by, applicable law, each holder of the Notes unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of the Relevant Obligations. No collateral is or will be given by the Issuer for the Relevant Obligations and any collateral that may have been or may in

the future be given in connection with other obligations of the Issuer shall not secure the Relevant Obligations

Solvency Conditions: Payments in respect of the Relevant Obligations by the Issuer are conditional upon the following conditions (together, the **Solvency Conditions**):

- (i) the Issuer being Solvent at the time of such payment; and
- (ii) the Issuer being capable of making such payment and any other payment required to be made on the relevant date to a creditor in respect of all Senior Obligations and all *Pari Passu* Obligations and still be Solvent immediately thereafter.

Notwithstanding any other provision in these Conditions, in the event that the Solvency Conditions are not satisfied at the relevant time, the rights and claims against the Issuer in respect of the Relevant Obligations scheduled to be payable at such time will be extinguished.

**Redemption,
Substitution and
Variation:**

Unless previously redeemed and cancelled, the Issuer will redeem the Notes at the Maturity Date Redemption Amount on the Maturity Date.

Pursuant to Condition 8.2 (*Redemption, Substitution and Variation - Issuer call right and early redemption at the option of the Issuer*), the Issuer may (on any date on or after the Issue Date, whether or not an Interest Payment Date) redeem all, but not some only, of the Notes:

- (i) on any Par Call Date at their outstanding principal amount; or
- (ii) on any Make-whole Call Date at their outstanding principal amount plus the Make-whole Amount;

plus in each case, any Outstanding Payments.

In addition (on any date on or after the Issue Date, whether or not an Interest Payment Date), upon the occurrence of a Tax Event, a Change of Control Event, a Rating Methodology Event, a Tax Deductibility Event or a Substantial Repurchase Event, all but not some only, of the Notes may be redeemed or the Notes may be substituted for or the terms of the Notes may be varied in order to become, Qualifying Notes, in each case in accordance with Conditions 8.3 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Tax Event*), 8.4 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Rating Methodology Event*), 8.5 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Change of Control Event*), 8.6 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Substantial Repurchase Event*), 8.7 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Tax Deductibility Event*) or Condition 8.8 (*Redemption, Substitution and Variation - Substitution of Variation to remedy a Tax Event, Rating Methodology Event or Tax Deductibility Event*), as the case may be.

Purchase:	The Issuer and/or any of its subsidiaries may purchase the Notes in the open market or otherwise at such price(s) and upon such other conditions as may be agreed upon between the Issuer or the relevant subsidiary (as the case may be) and the relevant holders of Notes. Upon any such purchase, the Issuer may (but shall not be obliged to) deliver such Notes for cancellation.
Enforcement Events:	Upon the occurrence of an Enforcement Event, any holder of the Notes may give written notice to the Issuer at the specified office of the Fiscal Agent, effective upon the date of receipt thereof by the Fiscal Agent, that such Note is due and payable, whereupon the same shall become forthwith due and payable at the relevant Early Redemption Amount, without presentation, demand, protest or other notice of any kind.
Withholding Tax:	All payments in respect of the Notes will be made free and clear of, without withholding or deduction for, or on account of, withholding taxes imposed by a Relevant Jurisdiction, subject as provided in Condition 10 (<i>Taxation</i>). In the event that any such deduction is made, the Issuer will save in certain limited circumstances provided in Condition 10 (<i>Taxation</i>), be required to pay additional amounts to cover the amounts so deducted.
Ratings:	<p>The Notes are expected to be assigned a rating of Baa3 by Moody's.</p> <p><i>A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</i></p>
Listing and Admission to Trading:	<p>Application has been made to Euronext Dublin for the Notes to be admitted to listing on the Official List and to trading on the GEM with effect from the Issue Date.</p> <p>Application is expected to be made to the ADX for the Notes to be admitted to listing on the ADX.</p>
Governing Law and Dispute Resolution:	<p>The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law.</p> <p>The Agency Agreement, the Deed of Covenant and any non-contractual obligations arising out of, relating to or having any connection with the Agency Agreement and the Deed of Covenant will be governed by, and shall be construed in accordance with, English law. Any dispute, claim, difference or controversy under or in relation to the Notes, the Agency Agreement or the Deed of Covenant, shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the LCIA.</p>
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Notes in the United States (Regulation S Category 2), the UK, the EEA, the Kingdom of Bahrain, the State of Qatar (including the Qatar Financial Centre), the Kingdom of Saudi Arabia, the ADGM, the DIFC, the UAE (excluding the DIFC and the ADGM), Hong Kong, Japan, Malaysia, Singapore and

Switzerland and such other restrictions as may be required in connection with the offering and sale of the Notes (see "*Subscription and Sale*").

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published shall be incorporated in, and form part of, these Listing Particulars:

- (a) the unaudited condensed consolidated interim financial information of the Group as at and for the nine month period ended 30 September 2024 and the review report thereon (https://cdn.aldar.com/-/media/project/aldar-tenant/aldar2/9m-2024-financial-results/english-financial-statements-sep-24.pdf?rev=1ae66f0d9c32426095df098f017551c9&_gl=1*mrfso9*_gcl_au*MTE5MTIzMjI5OS4xNzMyNDQ0NTYx);
- (b) the audited consolidated financial statements of the Group as at and for the financial year ended 31 December 2023 and the auditors' report thereon (https://cdn.aldar.com/-/media/project/aldar-tenant/aldar2/aldar-9m-2023-financial-results-docs/english-financial-statement-ap-pjsc-dec-23-01.pdf?rev=8456e2a525414d9b8d4a330f6a3de4e9&_gl=1*8ufwr2*_gcl_au*MTE5MTIzMjI5OS4xNzMyNDQ0NTYx); and
- (c) the audited consolidated financial statements of the Group as at and for the financial year ended 31 December 2022 and the auditors' report thereon (https://cdn.aldar.com/-/media/project/aldar-tenant/aldar2/images/press-releases/fy-2022-financial-results/aldar---fy22-financial-statements-english.pdf?rev=8f2eff812e984437a2e47a8cc82882cd&_gl=1*8ufwr2*_gcl_au*MTE5MTIzMjI5OS4xNzMyNDQ0NTYx).

Any documents themselves incorporated by reference in the documents incorporated by reference in these Listing Particulars shall not form part of these Listing Particulars.

Copies of documents incorporated by reference in these Listing Particulars can be obtained from the specified offices of the Fiscal Agent, for the time being in London.

Any non-incorporated parts of a document referred to herein are either not relevant for an investor or are otherwise covered elsewhere in these Listing Particulars.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes which will be endorsed on each Individual Certificate (if issued) and incorporated by reference into the Global Certificate (as defined below) in respect of the Notes.

Each of the U.S.\$1,000,000,000 Resettable Subordinated Notes due 2055 (the "**Notes**", which expression shall in these Conditions (as defined below), unless the context otherwise requires, include any further notes issued pursuant to Condition 15 (*Further Issues*) and forming a single series with the Notes) is issued by Aldar Properties PJSC in its capacity as issuer (the "**Issuer**") pursuant to the Deed of Covenant and the Agency Agreement (each as defined below).

Payments relating to the Notes will be made pursuant to an agency agreement dated the Issue Date (as amended or supplemented from time to time, the "**Agency Agreement**") made between the Issuer, Citibank N.A., London Branch as fiscal agent (in such capacity, the "**Fiscal Agent**" and together with any further or other paying agents appointed from time to time in respect of the Notes, the "**Paying Agents**"), Citibank N.A., London Branch as transfer agent (in such capacity, the "**Transfer Agent**" and, together with any further or other transfer agents appointed from time to time in respect of the Notes, the "**Transfer Agents**"), Citibank Europe plc, Germany Branch as registrar (in such capacity, the "**Registrar**") and Citibank N.A., London Branch as calculation agent (the "**Calculation Agent**", which expression includes any other calculation agent appointed from time to time in respect of the Notes). The Paying Agents, the Calculation Agent and the Transfer Agents are together referred to in these terms and conditions (the "**Conditions**") as the "**Agents**". References to the Agents or any of them shall include their successors. The Notes are constituted by a deed of covenant dated the Issue Date (as amended or supplemented from time to time, the "**Deed of Covenant**") entered into by the Issuer.

Any reference to "**Noteholders**" or "**holders**" in these Conditions in relation to any Notes shall mean the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Certificate, be construed as provided in Condition 2.2 (*Form, Denomination and Title – Title*).

Copies of the Agency Agreement and the Deed of Covenant are obtainable during normal business hours at the specified offices of the Agents. The holders of the Notes are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the Deed of Covenant. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement and the Deed of Covenant.

1. DEFINITIONS AND INTERPRETATION

Words and expressions defined in the Agency Agreement shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of any inconsistency between any such document and these Conditions, these Conditions will prevail. In addition, in these Conditions, the following expressions have the following meanings:

"**Additional Interest Amount**" has the meaning given to it in Condition 5.4 (*Interest and Interest Deferral – Interest Deferral*);

"**Assets**" means the consolidated gross assets of the Issuer as shown in the latest audited or (as the case may be) auditor reviewed consolidated balance sheet of the Issuer, but adjusted to reflect the prevailing market value of such assets (including the prevailing market value of any equity held by the Issuer in any company) and for any other subsequent events in such manner as the directors of the Issuer (and as certified by the Auditors in the case of non-payment by the Issuer), the Auditors or (if a bankruptcy trustee (or any equivalent insolvency practitioner) has been appointed in respect of the Issuer) a bankruptcy trustee (or such equivalent insolvency practitioner) may determine;

"Auditors" means, at any time, the statutory independent auditors of the Issuer at the relevant time;

"Authorised Denomination" has the meaning given to it in Condition 2.1 (*Form, Denomination and Title – Form and Denomination*);

"Authorised Signatory" means any person who is duly authorised by the Issuer to sign documents on its behalf and whose specimen signature has been provided to the Fiscal Agent;

"Business Day" means a day, other than a Saturday, Sunday or public holiday, on which registered banks settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Emirate of Abu Dhabi, London and New York City;

"Call Date" means a Par Call Date or a Make-whole Call Date;

a **"Change of Control"** shall occur if any person other than the Government acquires more than 50.0 per cent. of the issued share capital of the Issuer;

a **"Change of Control Event"** shall occur if (a) a Change of Control occurs and (b) at any time during the Change of Control Event Period: (i) if the long-term, unsecured and unsubordinated indebtedness of the Issuer which is the subject of a Solicited Rating by any one or more Rating Agencies, a Rating Downgrade as a result of that Change of Control Event occurs and the relevant Rating Agency does not, within the Change of Control Event Period, reverse such Rating Downgrade so that the long-term, unsecured and unsubordinated indebtedness of the Issuer has the same or a better credit rating attributed by such Rating Agency than before such Rating Downgrade occurred; or (ii) if the long-term, unsecured and unsubordinated indebtedness of the Issuer is not rated by any one or more Rating Agencies, a Negative Rating Event in respect of that Change of Control occurs;

"Change of Control Event Period" means the period commencing on the earlier of: (a) the date of the occurrence of the relevant Change of Control; and (b) the date of the first public announcement of a potential Change of Control by the Issuer, or by any actual or potential bidder or any adviser thereto, and ending 90 days after the date of occurrence of the relevant Change of Control or such longer period for which the Issuer is under consideration by a Rating Agency for rating or rating review in respect of a Solicited Rating (such consideration having been announced publicly within the period ending 90 days after the date of the Change of Control and such period not to exceed 60 days after the public announcement of such consideration);

"Change of Control Margin" means 5.0 per cent. per annum;

"Change of Control Redemption Period" has the meaning given to it in Condition 8.5 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Change of Control Event*);

"Clearstream, Luxembourg" has the meaning given to it in Condition 2.1 (*Form, Denomination and Title – Form and Denomination*);

"Code" has the meaning given to it in Condition 6.3 (*Payments – Payments Subject to Laws*);

"Compulsory Payment Event" means any of the following events:

- (a) the shareholders of the Issuer have validly resolved at the annual general meeting on the proposal by its board of directors to pay or distribute a dividend or make a payment on any Junior Obligations or the Issuer has elected to make a payment or distribution of an interim dividend in respect of any Junior Obligations;

- (b) the Issuer has validly resolved to pay any dividend or make any distribution or other payment on any *Pari Passu* Obligation; or
- (c) the Issuer redeems any Junior Obligations or *Pari Passu* Obligations or the Issuer repurchases, cancels or otherwise acquires any Junior Obligations or *Pari Passu* Obligations;

save for:

- (i) in each case, if the Issuer is obliged under the terms and conditions of such Junior Obligations or *Pari Passu* Obligations, or is required by law, to make such dividend, distribution or other payment or such redemption, repurchase, cancellation or other acquisition;
- (ii) in the case of paragraph (a) only, a dividend, distribution or other payment on any Junior Obligation which is made to any member of the Group;
- (iii) in the case of paragraph (b) above only, (1) any *pro rata* optional payment of deferred interest or profit, or arrears of interest or profit, in respect of any *Pari Passu* Obligations ("***Pari Passu Arrears***") which is made simultaneously with a *pro rata* payment of any Optionally Outstanding Payments, **provided that** such *Pari Passu Arrears* are not proportionately more than the *pro rata* payment of any such Optionally Outstanding Payments (in each case by reference to (x) the amount that such payment of *Pari Passu Arrears* bears to the overall amount of *Pari Passu Arrears* in respect of such *Pari Passu* Obligations against (y) the amount that such payment of Optionally Outstanding Payments bears to the overall amount of Optionally Outstanding Payments); or (2) other than a dividend, distribution or payment on any *Pari Passu* Obligation which is made to any member of the Group; and
- (iv) in the case of paragraph (c) above only (1) where in respect of *Pari Passu* Obligations only, such redemption, repurchase, cancellation or acquisition is effected as a public cash tender offer or exchange offer to all holders thereof at a purchase price per security which is below its par value; or (2) in connection with any existing or future buy-back programme, share option or free share allocation plan or any employee benefit plans or similar arrangements with or for the benefit of employees, officers, directors or consultants or any associated hedging transaction; or (3) a redemption, repurchase or acquisition of a Junior Obligation or a *Pari Passu* Obligation issued to another member of the Group or (4) any reduction of the quota value of the share capital of the Issuer without a corresponding return of cash, capital or assets to shareholders of the Issuer;

"Day Count Fraction" means the day count fraction, represented by the actual number of days in the relevant period from and including the Issue Date or most recent Interest Payment Date, as the case may be, to but excluding the date on which the relevant payment is to be made, divided by 360 (the number of days in such period to be calculated on the basis of a year of 360 days with 12 30-day months and, in the case of an incomplete month, the number of days elapsed of the relevant period (including the first day but excluding the last));

"Deeply Subordinated Obligations" means any subordinated payment obligations (including, for the avoidance of doubt, any payment obligations in respect of hybrid instruments) of the Issuer which are expressed to rank junior to the Relevant Obligations;

"Designated Account" has the meaning given to it in Condition 6.1 (*Payments – Payments in respect of Individual Certificates*);

"Designated Bank" has the meaning given to it in Condition 6.1 (*Payments – Payments in respect of Individual Certificates*);

"Determination Date" means the second U.S. Government Securities Business Day before the commencement of the Reset Period for which the relevant rate will apply;

"Discount Rate" means, as at the Make-whole Call Date, the semi-annual yield to the Next Par Redemption Date of United States Treasury securities with a constant maturity (as compiled and published in the most recent H.15 (519)) most nearly equal to the period from the Make-whole Call Date to such Next Par Redemption Date; **provided however, that** if the period from the Make-whole Call Date to such Next Par Redemption Date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used;

"Dispute" has the meaning given to it in Condition 17.2 (*Governing Law and Dispute Resolution – Arbitration*);

"Early Redemption Amount" in relation to a Note, means.

- (a) in the case of Condition 8.2 (*Redemption, Substitution and Variation - Issuer call right and early redemption at the option of the Issuer*):
 - (i) on any date that is a Par Call Date, as specified in the Optional Redemption Notice at their outstanding principal amount; or
 - (ii) on any date that is a Make-whole Call Date, as specified in the Optional Redemption Notice at their outstanding principal amount plus the Make-whole Amount; *plus*

in each case, any Outstanding Payments relating to such Note;

- (b) in the case of Conditions 8.3 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Tax Event*), Condition 8.5 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Change of Control Event*), 8.6 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Substantial Repurchase Event*) and 9.1 (*Enforcement Events and Enforcement – Enforcement Events*), 100 per cent. of its outstanding principal amount together with any Outstanding Payments; and
- (c) in the case of Conditions 8.4 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Rating Methodology Event*) or 8.7 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Tax Deductibility Event*):
 - (i) on or at any time before the First Call Date, 101 per cent. of its outstanding principal amount; or
 - (ii) at any time after the First Call Date, 100 per cent. of its outstanding principal amount; *plus*

in each case, any Outstanding Payments relating to such Note;

"Enforcement Event" means any of the following events:

- (a) default is made by the Issuer in the payment of principal or interest due and payable: (i) as a result of an election by the Issuer to pay such amount or principal pursuant to the Conditions; or (ii) otherwise as a result of the occurrence of any event (including a Compulsory Payment Event) giving rise to a payment of any amounts on a Mandatory

Settlement Date, and the default continues for a period of seven days in the case of principal and 14 days in the case of interest;

- (b) a final determination is made by a court or other official body that the Issuer is insolvent or bankrupt or unable to pay its debts as the same fall due; or
- (c) an administrator is appointed, an order is made or an effective resolution is passed for the winding-up or dissolution or administration of the Issuer or the Issuer applies or petitions for a winding-up or administration order in respect of itself or ceases, or through an official action of its directors threatens to cease, to carry on all or substantially all of its business or operations, except, in each case: (i) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution; or (ii) for any step or procedure which is part of a solvent reconstruction or amalgamation approved by any court of competent jurisdiction or other competent authority;

"Euroclear" has the meaning given to it in Condition 2.1 (*Form, Denomination and Title – Form and Denomination*);

"Euronext Dublin" means the Irish Stock Exchange plc, trading as Euronext Dublin or any other body to which its functions have been transferred;

"Exchange Event" has the meaning given to it in Condition 3.4 (*Transfers of Notes and Exchange for Individual Certificates – Exchange for Individual Certificates*);

"Extraordinary Resolution" has the meaning given to it in the Agency Agreement;

"First Call Date" means 15 January 2032;

"First Interest Payment Date" means 15 April 2025;

"First Reset Date" means 15 April 2032;

"Global Certificate" means the global registered certificate;

"Government" means the Government of Abu Dhabi, or any entity controlled, directly or indirectly, by the Government of Abu Dhabi, where **"control"** means that the Government of Abu Dhabi (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract, trust or otherwise) has the power to appoint and/or remove all or the majority of the members of the board of directors or other governing body of that entity or otherwise controls, or has the power to control, the affairs and policy of that entity;

"Group" means the Issuer and its subsidiaries;

"H.15 (519)" means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the United States Federal Reserve System and **"most recent H.15 (519)"** means the H.15 (519) published closest in time but prior to the applicable Determination Date or the Make-whole Call Date, as the case may be. H.15 (519) may be currently obtained at the following website:
<https://www.federalreserve.gov/releases/h15/>;

"Individual Certificate" means a registered certificate in definitive form;

"Initial Interest Rate" has the meaning given to it in Condition 5.1 (*Interest and Interest Deferral – Initial Interest Rate and Interest Payment Dates*);

"Initial Margin" means 2.042 per cent. per annum;

"Initial Period" means the period (from and including) the Issue Date to (but excluding) the First Reset Date;

"Interest Payment Amount" means, subject to Condition 6 (*Payments*), the interest payable on each Interest Payment Date;

"Interest Payment Date" means each of 15 April and 15 October in every year, commencing on the First Interest Payment Date;

"Interest Period" means, in the case of the first Interest Period, the period from (and including) the Issue Date to (but excluding) the First Interest Payment Date and, subsequently, the period from (and including) an Interest Payment Date to (but excluding) the succeeding Interest Payment Date;

"Interest Rate" means: (i) in respect of the Initial Period, the Initial Interest Rate; and (ii) in respect of the Reset Periods thereafter, the rate calculated in accordance with Condition 5.2 (*Interest and Interest Deferral – Interest Rate following the Initial Period*), in each case as modified by Condition 5.3 (*Interest and Interest Deferral – Interest following the occurrence of a Change of Control Event*);

"Investment Grade Rating" means a rating of at least investment grade (BBB-/ Baa3/ BBB-, or their respective equivalents for the time being) from a Rating Agency;

"Issue Date" means 15 January 2025;

"Junior Obligations" means:

- (a) the obligations of the Issuer to the holders of ordinary shares and any other shares of any class of the Issuer (if any) ranking *pari passu* among themselves and *pari passu* with ordinary shares;
- (b) Deeply Subordinated Obligations; and
- (c) any subordinated payment obligations of the Issuer other than the Relevant Obligations and *Pari Passu* Obligations;

"LCIA" means the London Court of International Arbitration;

"Liabilities" means the consolidated gross liabilities of the Issuer as shown in the latest audited or (as the case may be) auditor reviewed consolidated balance sheet of the Issuer, but adjusted for contingent liabilities and for subsequent events in such manner as the directors of the Issuer (and as certified by the Auditors in the case of non-payment by the Issuer), the Auditors or (if a bankruptcy trustee (or any equivalent insolvency practitioner) has been appointed in respect of the Issuer) a bankruptcy trustee (or such equivalent insolvency practitioner) may determine;

"Make-whole Amount" means, in relation to each Note, an amount in U.S. dollars equal to the excess of: (a) the present value at the Make-whole Call Date of: (i) the principal amount of such Note on the Make-whole Call Date, *mutatis mutandis* (ii) all remaining Interest Payment Amounts due on such Note through to the Next Par Redemption Date (excluding accrued but unpaid Interest Payment Amounts to the Make-whole Call Date), computed using the Discount Rate on the Make-whole Call Date *mutatis mutandis* 50 basis points; over (b) the principal amount of the Note on the Make-whole Call Date, all as calculated by the Calculation Agent;

"Make-whole Call Date" means any date that is not a Par Call Date;

"Mandatory Settlement Date" means the earliest of:

- (a) the date falling seven Payment Business Days following the occurrence of a Compulsory Payment Event;
- (b) following the deferral of an interest payment which constitutes an Optionally Deferred Payment pursuant to Condition 5.4 (*Interest and Interest Deferral - Interest Deferral*), the next Interest Payment Date on which the Issuer elects to pay the relevant interest payment;
- (c) (i) the Maturity Date; (ii) the date on which the Notes fall due for redemption in connection with the exercise by the Issuer of its redemption options pursuant to Condition 8.2 (*Redemption, Substitution and Variation - Issuer call right and early redemption at the option of the Issuer*) to Condition 8.7 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Tax Deductibility Event*) (inclusive); or (iii) the date on which the Notes are substituted or varied pursuant to Condition 8.8 (*Substitution or Variation to remedy a Tax Event, Rating Methodology Event or Tax Deductibility Event*);
- (d) the date on which an event described in paragraph (b) or paragraph (c) of the definition of Enforcement Event occurs; and
- (e) the date which is five years from the earliest Interest Payment Date which was scheduled to be paid but not paid in accordance with Condition 5.4 (*Interest and Interest Deferral - Interest Deferral*);

"Maturity Date" means 15 April 2055;

"Maturity Date Redemption Amount" in relation to a Note, means 100 per cent. of its outstanding principal amount together with any Outstanding Payments;

"Negative Rating Event" means the Issuer does not, within 120 days of a Change of Control, obtain an Investment Grade Rating for its long-term, unsecured and unsubordinated indebtedness from at least one Rating Agency;

"Next Par Redemption Date" means the earlier of the Maturity Date and the next occurring Call Date;

"Optionally Deferred Payments" has the meaning given to it in Condition 5.4 (*Interest and Interest Deferral – Interest Deferral*);

"Optionally Outstanding Payments" has the meaning given to it in Condition 5.4 (*Interest and Interest Deferral – Interest Deferral*);

"Outstanding Payments" means, in relation to any amounts payable on redemption of the Notes, an amount representing the aggregate of: (a) any accrued and unpaid interest for the Interest Period during which redemption occurs to the date of redemption; and (b) the Optionally Outstanding Payments;

"Par Call Date" means any date during the period commencing (and including) the First Call Date to (and including) the First Reset Date or on any Interest Payment Date thereafter;

"Pari Passu Obligations" means, all subordinated payment obligations (if any) of the Issuer which rank, or are expressed to rank, *pari passu* with the Relevant Obligations;

"Payment Business Day" has the meaning given to it in Condition 6.4 (*Payments – Payment Business Day*);

"Person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"Prevailing Interest Rate" the rate calculated in accordance with the provisions of Conditions 5.1 (*Interest and Interest Deferral – Initial Interest Rate and Interest Payment Dates*) and 5.2 (*Interest and Interest Deferral – Interest Rate following the Initial Period*);

"Proceedings" has the meaning given to it in Condition 17.5 (*Governing Law and Dispute Resolution – Effect of Exercise of Option to Litigate*);

"Qualifying Notes" means notes that:

- (a) have terms and conditions not materially less favourable to Noteholders than the Notes (as reasonably determined by the Issuer in consultation with an independent investment bank, independent financial adviser or legal counsel of international standing);
- (b) continue to be direct or indirect obligations of the Issuer, directly or indirectly or by a guarantee or equivalent support undertaking by the Issuer;
- (c) rank on a winding-up or administration at least *pari passu* with the Relevant Obligations;
- (d) have at least the same principal value amount and interest payment dates as the Notes and provide for at least the same interest rate from time to time applying to the Notes;
- (e) preserve any existing rights to any accrued interest, any deferred interest and any other amounts payable under the Notes which, in each case, has accrued to Noteholders and has not been paid;
- (f) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to the redemption of the Notes, including, without limitation, as to timing of, and amounts payable upon, such redemption;
- (g) otherwise contain substantially identical terms to the Notes, save where any variations to such terms are required to be made to avoid the occurrence or effect of a Tax Event, Rating Methodology Event or Tax Deducibility Event; and
- (h) are: (i) admitted to the official list of Euronext Dublin and to trading on the Global Exchange Market of Euronext Dublin; or (ii) listed on such other international stock exchange as selected by the Issuer;

"Rating Agency" means each of Moody's Investors Service Ltd., Standard & Poor's Credit Market Services Europe Limited and Fitch Ratings Limited or any of their successors or any other rating agency of equivalent international standing notified by the Issuer to the Noteholders in accordance with Condition 13 (*Notices*);

"Rating Downgrade" means the Solicited Rating previously assigned to the long-term, unsecured and unsubordinated indebtedness of the Issuer by any Rating Agency: (a) is withdrawn; (b) is changed from an Investment Grade Rating to a non-Investment Grade Rating in accordance with the rating methodology adopted by such Rating Agency at the time; or (c) if the Solicited Rating previously assigned by the relevant Rating Agency was below an Investment Grade Rating, is lowered one or more rating notches in accordance with the rating methodology adopted by such Rating Agency at the time, and such Rating Agency shall have publicly announced or confirmed in writing to the Issuer that such withdrawal or downgrade is principally the result of any event or circumstance comprised in or arising as a result of, or in respect of, the Change of Control or potential Change of Control, as the case may be;

a **"Rating Methodology Event"** shall occur if the Issuer has received written confirmation from any Rating Agency from whom the Issuer is assigned a Solicited Rating under which the Relevant Obligations are assigned a credit rating and an "equity credit" (or similar nomenclature used by such Rating Agency from time to time), that due to a change in applicable hybrid rating methodology or the interpretation thereof, in each case occurring or becoming effective after the Issue Date, (a) the Relevant Obligations will no longer be eligible (or if the Relevant Obligations have been partially or fully re-financed since the Issue Date and are no longer eligible for "equity credit" from such Rating Agency in part or in full as a result, all or any of the Relevant Obligations would no longer have been eligible as a result of such amendment, clarification, change in methodology or change in the interpretation had they not been re-financed) for the same or a higher category of "equity credit" (or such similar nomenclature as being used by such Rating Agency from time to time to describe the degree to which the terms of an instrument are supportive of the Issuer's senior obligations) attributed to the Relevant Obligations at or around the Issue Date or at any later date on which the Relevant Obligations were attributed a higher category of "equity credit" compared with the category of "equity credit" attributed to the Relevant Obligations on or around the Issue Date or if "equity credit" is not assigned on the Issue Date, at the date when the "equity credit" is assigned for the first time or (b) the length of time the Relevant Obligations are assigned a particular level of "equity credit" by that Rating Agency is shortened as compared to the length of time they were assigned that level of "equity credit" by that Rating Agency under its prevailing methodology at or around the Issue Date or at any later date on which the Relevant Obligations were attributed a higher category of "equity credit" compared with the category of "equity credit" attributed to the Relevant Obligations on or around the Issue Date or if "equity credit" is not assigned on the Issue Date, at the date when the "equity credit" is assigned for the first time;

"Record Date" means, in the case of any Interest Payment Amount or Optionally Outstanding Payment, the date falling on the 15th day before the relevant Interest Payment Date and, in the case of the payment of a Redemption Amount, the date falling two Payment Business Days before the date for payment of the relevant Redemption Amount;

"Redemption Amount" means the Maturity Date Redemption Amount or the relevant Early Redemption Amount, as the case may be;

"Register" has the meaning given to it in Condition 2.1 (*Form, Denomination and Title – Form and Denomination*);

"Relevant Date" has the meaning given to it in Condition 10 (*Taxation*);

"Relevant Five Year Reset Rate" means, in respect of each Reset Period: (a) a rate per annum (expressed as a decimal) determined on the relevant Determination Date equal to the yield that represents the average of the daily yields for the week immediately preceding the relevant Determination Date to maturity for U.S. Treasury securities with a maturity of five years and trading in the public securities markets; or (b) if there is no such published U.S. Treasury security with a maturity of five years and trading in the public securities markets, then the rate will be determined on the relevant Determination Date by interpolation between the most recent yield that represents the average of the daily yields for the week immediately preceding the relevant Determination Date to maturity for two series of U.S. Treasury securities trading in the public securities market: (i) one maturing as close as possible to, but earlier than, the immediately following Reset Date; and (ii) the other maturing as close as possible to, but later than, the immediately following Reset Date, in each case as derived from the most recent H.15 (519) *provided that*, if the Issuer cannot procure the determination of the Relevant Five Year Reset Rate on the relevant Determination Date pursuant to the methods described in (a) and (b) above, then the Relevant Five Year Reset Rate will be: (i) equal to the rate applicable to the immediately preceding Reset Period; or (ii) in the case of the Reset Period commencing on the First Reset Date, 4.447 per cent.;

"Relevant Jurisdiction" means the Emirate of Abu Dhabi, the United Arab Emirates or, in either case, any political subdivision or authority thereof or therein having the power to tax;

"Relevant Obligations" has the meaning given to it in Condition 4.2 (*Status and Subordination – Subordination of the Notes*);

"Relevant Period" has the meaning given to it in Condition 5.1 (*Interest and Interest Deferral – Initial Interest Rate and Interest Payment Dates*);

"Replacement Agent" means the Registrar and/or the Transfer Agents;

"Reset Date" means the First Reset Date and each fifth anniversary thereof;

"Reset Period" means the period from (and including) the First Reset Date to (but excluding) the next following Reset Date and each successive period thereafter from (and including) such Reset Date to (but excluding) the next following Reset Date;

"Rules" has the meaning given to it in Condition 17.2 (*Governing Law and Dispute Resolution – Arbitration*);

"Senior Obligations" means all payment obligations of the Issuer other than *Pari Passu* Obligations and Junior Obligations;

"Solicited Rating" means a rating assigned by a Rating Agency at the request of the Issuer;

"Solvent" means, in respect of the Issuer, that: (a) it is able to pay its debts as they fall due; and (b) its Assets exceed its Liabilities;

"Step-up Date" means 15 April 2035;

"Step-up Margin" means 1.0 per cent. per annum;

a **"Substantial Repurchase Event"** shall occur if the Issuer and/or any subsidiary of the Issuer has, severally or jointly, purchased and cancelled more than 75 per cent. of the initial aggregate principal amount of the Notes in accordance with Condition 8.9 (*Redemption, Substitution and Variation - Purchase*);

a **"Tax Deductibility Event"** shall occur if (i) as a result of any change in, or amendment or clarification to, the laws or regulations of a Relevant Jurisdiction or any change in, or amendment or clarification to, the application or official interpretation of such laws or regulations, which change, clarification or amendment becomes effective after 13 January 2025, the Issuer is no longer able to claim a deduction to which it was entitled as at the Issue Date or at any time thereafter in respect of payments relating to the Notes in computing its taxation liabilities for UAE corporate tax purposes (a **"Tax Deduction"**) or the amount of any Tax Deduction is materially reduced and, in either case, in circumstances where unsubordinated debt obligations of the Issuer continue to be fully or partly tax deductible for such purposes; and (ii) such removal of or material reduction to the Tax Deduction cannot be avoided by the Issuer taking reasonable measures available to it;

a **"Tax Event"** shall occur if (i) the Issuer has or will become obliged to pay Additional Amounts as provided or referred to in Condition 10 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective after 13 January 2025; and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it;

"Taxes" means any taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature imposed or levied by or on behalf of any Relevant Jurisdiction, and all interest, penalties or similar liabilities with respect hereto;

"U.S. Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which the U.S. Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities;

"U.S. Securities Determination Date" means the second U.S. Government Securities Business Day before the commencement of the Reset Period for which the relevant rate will apply; and

"U.S.\$" and **"U.S. dollars"** each means the lawful currency for the time being of the United States of America.

2. **FORM, DENOMINATION AND TITLE**

2.1 **Form and Denomination**

The Notes are issued in registered form in principal amounts of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof (each an **"Authorised Denomination"**). An Individual Certificate will be issued to each holder of the Notes in respect of its registered holding of Notes. Each Individual Certificate will be numbered serially with an identifying number which will be recorded on the relevant Individual Certificate and in the register of holders of the Notes (the **"Register"**) in accordance with the provisions of the Agency Agreement.

Upon issue, the Notes will be represented by the Global Certificate which will be deposited with, and registered in the name of a nominee for, a common depositary for Euroclear Bank SA/NV (**"Euroclear"**) and Clearstream Banking S.A. (**"Clearstream, Luxembourg"**). Ownership interests in the Global Certificate will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg (as applicable), and their respective participants. The Conditions are supplemented by certain provisions contained in the Global Certificate.

2.2 **Title**

The registered holder of any Individual Certificate will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the certificate issued in respect of it) and no Person will be liable for so treating the holder of such Individual Certificate.

For so long as any of the Notes is represented by the Global Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by each of the Issuer and the Agents as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such principal amount of such Notes, for which purpose the registered holder of the Global Certificate shall be treated by each of the Issuer and any Agent as the holder of such principal amount of such Notes in accordance with and subject to the terms of the Global Certificate.

3. TRANSFERS OF NOTES AND EXCHANGE FOR INDIVIDUAL CERTIFICATES

3.1 Transfers of Interests in the Global Certificate

Notes which are represented by the Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg (as the case may be).

3.2 Transfer of Individual Certificates

Subject to the conditions set forth in the Agency Agreement, Notes represented by Individual Certificates may be transferred in whole or in part in Authorised Denominations. In order to effect any such transfer: (a) the holder or holders must (i) surrender the relevant Individual Certificate(s) for registration of the transfer of the Note (or the relevant part of the Note) at the specified office of any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing; and (ii) complete and deposit such other certifications as may be required by the relevant Transfer Agent; and (b) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 4 to the Agency Agreement). Subject as provided above, the relevant Transfer Agent will, within five business days (being for this purpose a day on which commercial banks are open for business (including dealings in foreign currencies) in the cities where the specified office of the Registrar and (if applicable) the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Individual Certificate of a like aggregate principal amount to the Note (or the relevant part of the Note) transferred. In the case of the transfer of part only of a Note represented by an Individual Certificate, a new Individual Certificate in respect of the balance of the Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

3.3 Costs of Registration

Holders of the Notes will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

3.4 Exchange for Individual Certificates

Interests in the Global Certificate will be exchangeable (free of charge), in whole but not in part, for Individual Certificates only upon the occurrence of an Exchange Event (as defined below). The Issuer will give notice to holders of the Notes in accordance with Condition 13 (*Notices*) if an Exchange Event occurs as soon as practicable thereafter. For these purposes, an "**Exchange Event**" shall occur if: (a) an Enforcement Event has occurred; or (b) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of legal holiday) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system satisfactory to the Issuer is available.

In such circumstances, the Global Certificate shall be exchanged in full for Individual Certificates and the Issuer will, at the cost of the Issuer, cause sufficient Individual Certificates

to be executed and delivered to the Registrar within 10 days following the request for exchange for completion and dispatch to the holders of the Notes.

3.5 **Closed Periods**

No holder of Notes may require the transfer of a Note to be registered during the period of 15 calendar days ending on the due date for any payment of principal or interest in respect of such Note.

3.6 **Other**

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system as shall have been approved by the Issuer and the Fiscal Agent.

4. **STATUS AND SUBORDINATION**

4.1 **Status of the Notes**

Each Note will at all times rank *pari passu*, without any preference or priority, with all other Notes.

4.2 **Subordination of the Notes**

The payment obligations of the Issuer under the Notes (the "**Relevant Obligations**") will constitute direct, unsecured, conditional (as described in Condition 4.3 (*Status and Subordination - Solvency Conditions*)) and subordinated (as described below) obligations of the Issuer.

The Relevant Obligations are subordinated in right of payment and will rank:

- (a) subordinate and junior to all Senior Obligations but not further or otherwise;
- (b) *pari passu* with all *Pari Passu* Obligations; and
- (c) in priority only to all Junior Obligations.

Subject to, and to the extent permitted by, applicable law, each holder of the Notes unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of the Relevant Obligations. No collateral is or will be given by the Issuer for the Relevant Obligations and any collateral that may have been or may in the future be given in connection with other obligations of the Issuer shall not secure the Relevant Obligations.

4.3 **Solvency Conditions**

Payments in respect of the Relevant Obligations by the Issuer are conditional upon the Issuer being Solvent at the time of such payment and no amount shall be payable in respect thereof or arising thereunder except to the extent that the Issuer could make such payment and any other payment required to be made on the relevant date to a creditor in respect of all Senior Obligations and *Pari Passu* Obligations and still be Solvent immediately thereafter (together, the "**Solvency Conditions**"). Notwithstanding any other provision in these Conditions, in the event that the Solvency Conditions are not satisfied at the relevant time, the rights and claims against the Issuer in respect of the Relevant Obligations scheduled to be payable at such time will be extinguished.

5. **INTEREST AND INTEREST DEFERRAL**

5.1 **Initial Interest Rate and Interest Payment Dates**

The Notes shall, during the Initial Period, bear interest at a rate of 6.6227 per cent. per annum (the "**Initial Interest Rate**") in accordance with the provisions of this Condition 5 (*Interest and Interest Deferral*) (which, subject to Condition 5.3 (*Interest and Interest Deferral - Interest following the occurrence of a Change of Control Event*), equates to U.S.\$66.227 per U.S.\$1,000 in principal amount of the Notes per annum).

The first payment of interest, to be made on the First Interest Payment Date, will be in respect of the short first interest period from (and including) the Issue Date to (but excluding) the First Interest Payment Date (which, subject to Condition 5.3 (*Interest and Interest Deferral - Interest following the occurrence of a Change of Control Event*), equates to U.S.\$16.55675 per U.S.\$1,000 in principal amount of the Notes).

Interest shall be payable on the Notes semi-annually in arrear on each Interest Payment Date, in each case as provided in this Condition 5 (*Interest and Interest Deferral*).

If interest is required to be calculated in respect of a period of less than a full Interest Period (the "**Relevant Period**"), it shall be calculated as an amount equal to the product of: (a) the applicable Interest Rate; (b) the principal amount of the relevant Note then outstanding; and (c) the applicable Day Count Fraction for the Relevant Period, rounding the resultant figure to the nearest cent (half a cent being rounded upwards).

5.2 **Interest Rate following the Initial Period**

For the purpose of calculating payments of interest following the Initial Period, the Interest Rate will be reset on each Reset Date on the basis:

- (a) from (and including) the First Reset Date to (but excluding) the Step-up Date, the aggregate of: (i) the Relevant Five Year Reset Rate; and (ii) the Initial Margin;
- (b) thereafter, the aggregate of: (i) the Relevant Five Year Reset Rate; (ii) the Initial Margin; and (iii) the Step-up Margin,

as determined by the Calculation Agent on each Determination Date (or promptly following any increase in the Prevailing Interest Rate pursuant to Condition 5.3 (*Interest and Interest Deferral - Interest following the occurrence of a Change of Control Event*)).

The Calculation Agent will, as soon as practicable upon determination of the Interest Rate which shall apply to each Reset Period (or any increase in the Prevailing Interest Rate pursuant to Condition 5.3 (*Interest and Interest Deferral - Interest following the occurrence of a Change of Control Event*)), cause the applicable Interest Rate and the corresponding Interest Payment Amount (and any other amount(s) required to be determined by it together with any relevant payment date(s)) to be notified to each of the Paying Agents and the holders of the Notes in accordance with Condition 13 (*Notices*) as soon as possible after their determination but in no event later than the second Business Day thereafter.

5.3 **Interest following the occurrence of a Change of Control Event**

On the occurrence of a Change of Control Event, unless the Issuer redeems the Notes in full in accordance with Condition 8.5 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Change of Control Event*), the rate of interest payable on the Notes will be subject to an increase by the Change of Control Margin (above the otherwise Prevailing Interest Rate) from (and including) the expiration of the Change of Control Redemption Period.

5.4 Interest Deferral

Interest shall be due and payable on each Interest Payment Date unless the Issuer elects, in its sole and absolute discretion, not to pay such interest (whether in whole or in part). Any such election not to pay interest shall not constitute a default of the Issuer or any other breach of obligations under the Notes or for any other purpose. If the Issuer decides not to pay interest on an Interest Payment Date, the Issuer shall notify the Agents and the Noteholders in accordance with Condition 13 (*Notices*) not less than ten and not more than 15 Business Days prior to the relevant Interest Payment Date.

Any interest not paid due to such an election of the Issuer shall constitute "**Optionally Deferred Payments**". Optionally Deferred Payments shall themselves bear interest as if they constituted the principal of the Notes at the Interest Rate and the amount of such interest (the "**Additional Interest Amount**") shall be calculated by the Calculation Agent by applying the Interest Rate to the amount of the Optionally Deferred Payments and otherwise the provisions of this Condition 5 in relation to the calculation and accrual of interest shall apply *mutatis mutandis*.

The Additional Interest Amount accrued up to any Interest Payment Date shall be added for the purpose of calculating the Additional Interest Amount accruing thereafter to the amount of Optionally Deferred Payments remaining unpaid on such Interest Payment Date so that it will itself constitute Optionally Deferred Payments.

The principal amount of any Optionally Deferred Payments together with any Additional Interest Amount shall constitute "**Optionally Outstanding Payments**".

5.5 Payment of Optionally Outstanding Payments

- (a) The Issuer may pay unpaid Optionally Outstanding Payments (in whole or in part) at any time upon giving not less than five and not more than 15 Business Days' notice to the Agents and the Noteholders in accordance with Condition 13 (*Notices*), which notice shall be irrevocable and will oblige the Issuer to pay the relevant Optionally Outstanding Payments on the payment date specified in such notice.
- (b) Any unpaid Optionally Outstanding Payments shall become due and payable (in whole and not in part) and shall be paid by the Issuer on any Mandatory Settlement Date.
- (c) If amounts in respect of Optionally Deferred Payments and Additional Interest Amounts are paid in part:
 - (i) all unpaid amounts of Optionally Deferred Payments shall be paid before any Additional Interest Amounts;
 - (ii) Optionally Deferred Payments accrued for any Interest Period shall not be payable until full payment has been made of all Optionally Deferred Payments that have accrued during any earlier Interest Period and the order of payment of Additional Interest Amounts shall follow that of the Optionally Deferred Payments to which they relate; and
 - (iii) the amount of Optionally Deferred Payments or Additional Interest Amounts payable in respect of the Notes in respect of any Interest Period, shall be *pro rata* to the total amount of all unpaid Optionally Deferred Payments or, as the case may be, Additional Interest Amounts accrued in respect of that period to the date of payment.

5.6 **Accrual of interest**

Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the principal is improperly withheld or refused or default is otherwise made in the payment thereof, in which case it will continue to bear interest in accordance with this Condition 5 (as well after as before judgment) until whichever is the earlier of: (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and (b) the day which is seven days after the Calculation Agent has notified the Noteholders in accordance with Condition 13 (*Notices*) that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

5.7 **Determinations of Calculation Agent Binding**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions by the Calculation Agent given, expressed, made or obtained for the purposes of this Condition 5, shall (in the absence of manifest error) be binding on the other Agents and the holders of the Notes and (in the absence of manifest error) no liability to the holders of the Notes shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of any of its powers, duties and discretions.

6. **PAYMENTS**

6.1 **Payments in respect of Individual Certificates**

Subject as provided below, payments will be made by credit or transfer to an account maintained by the payee with, or, at the option of the payee, by a cheque drawn on, a bank in New York City.

Payments of principal in respect of each Note will be made against presentation and surrender of the Individual Certificate at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Note appearing in the Register at the close of business in the place of the Registrar's specified office on the Record Date. Notwithstanding the previous sentence, if: (a) a holder does not have a Designated Account; or (b) the principal amount of the Notes held by a holder is less than U.S.\$200,000, payment will instead be made by a cheque in U.S. dollars drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account maintained by a Noteholder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means a bank in New York City.

Payments of interest in respect of each Note will be made by a cheque in U.S. dollars drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Note appearing in the Register at the close of business in the place of the Registrar's specified office on the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Notes which become payable to the Noteholder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payments of interest due in respect of each Note on redemption will be made in the same manner as payment of the principal amount of such Note.

Holders of Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Note as a result of a cheque posted in accordance with this

Condition 6.1 arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Notes.

6.2 **Payments in respect of the Global Certificate**

The holder of the Global Certificate shall be the only person entitled to receive payments in respect of Notes represented by the Global Certificate and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Certificate in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular principal amount of Notes represented by such Global Certificate must look solely to Euroclear or Clearstream, Luxembourg (as the case may be), for their share of each payment so made by the Issuer, or to the order of, the holder of such Global Certificate. Each payment made in respect of the Global Certificate will be made to the person shown as the holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment, where "**Clearing System Business Day**" means a day on which each clearing system for which the Global Certificate is being held is open for business.

6.3 **Payments Subject to Laws**

All payments are subject in all cases to: (a) any fiscal or other laws, regulations and directives applicable thereto in the place of payment, but without prejudice to the provisions of Condition 10 (*Taxation*); and (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof (without prejudice to the provisions of Condition 10 (*Taxation*)), or any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the holders of the Notes in respect of such payments.

6.4 **Payment Business Day**

Where payment is to be made by transfer to a Designated Account, payment instructions (for value the due date or, if that is not a Payment Business Day, for value the first following day which is a Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed, on the Payment Business Day preceding the due date for payment or, in the case of a payment of principal or a payment of interest due otherwise than on an Interest Payment Date, if later, on the Payment Business Day on which the relevant Note is surrendered at the specified office of an Agent.

Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Payment Business Day, if the Noteholder is late in surrendering its Note (if required to do so) or if a cheque mailed in accordance with this Condition 6 arrives after the due date for payment.

In these Conditions, "**Payment Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for business in London and New York and, in the case of any presentation of a Note, a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies.

6.5 **Partial payments**

If the amount of principal or interest which is due on the Notes is not paid in full, the Registrar will annotate the Register with a record of the amount of principal or interest in fact paid.

7. AGENTS

The names of the initial Agents are set out above and their initial specified offices are set out in the Agency Agreement.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, **provided that:**

- (a) there will at all times be a Fiscal Agent and a Registrar;
- (b) with effect from the U.S. Securities Determination Date prior to the First Reset Date, and so long as any Notes remain outstanding thereafter, there will be a Calculation Agent;
- (c) so long as the Notes are listed on any stock exchange or admitted to listing, trading and/or quotation by any other relevant authority, there will at all times be a Paying Agent and a Transfer Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
- (d) there will at all times be a Paying Agent and a Transfer Agent with a specified office in Europe.

Subject to the Agency Agreement, any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the holders of the Notes in accordance with Condition 13 (*Notices*).

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any holders of the Notes. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

8. REDEMPTION, SUBSTITUTION AND VARIATION

8.1 Redemption at Maturity

Unless previously redeemed and cancelled, the Issuer will redeem the Notes at the Maturity Date Redemption Amount on the Maturity Date.

8.2 Issuer call right and early redemption at the option of the Issuer

On giving not less than 15 nor more than 60 days' irrevocable notice (an "**Optional Redemption Notice**") to the Agents and the Noteholders in accordance with Condition 13 (*Notices*), the Issuer may call and redeem the Notes (in whole but not in part) on any Call Date at the relevant Early Redemption Amount. Upon the expiry of such notice, the Issuer shall redeem the Notes.

8.3 Issuer call right and early redemption due to a Tax Event

- (a) If a Tax Event occurs, the Issuer may call and redeem the Notes (in whole but not in part) at any time at the relevant Early Redemption Amount giving not less than 15 and not more than 60 days' irrevocable notice to the Agents and the Noteholders in accordance with Condition 13 (*Notices*). Upon the expiry of such notice, the Issuer shall redeem the Notes.
- (b) The due date for redemption of which notice pursuant to this Condition 8.3 may be given shall be no earlier than the latest practicable date on which the Issuer, could make

payment of principal and interest without having to pay Additional Amounts as specified under Condition 10 (*Taxation*).

- (c) Prior to the giving of any notice of redemption pursuant to this Condition 8.3, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent:
- (i) a certificate signed by two Authorised Signatories on behalf of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent in the definition of "Tax Event" to the right of the Issuer so to redeem have been satisfied; and
 - (ii) an opinion of independent legal or tax advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Such certificate and opinion shall be conclusive and binding evidence of the satisfaction of the conditions precedent set out above.

8.4 **Issuer call right and early redemption due to a Rating Methodology Event**

- (a) If a Rating Methodology Event occurs, the Issuer may call and redeem the Notes (in whole but not in part) at the relevant Early Redemption Amount upon giving not less than 15 and not more than 60 days' irrevocable notice to the Agents and the Noteholders in accordance with Condition 13 (*Notices*). Upon the expiry of such notice, the Issuer shall redeem the Notes.
- (b) Prior to the giving of any notice of redemption pursuant to this Condition 8.4, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent:
- (i) a certificate signed by two Authorised Signatories on behalf of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have been satisfied; and
 - (ii) a copy of the written confirmation referred to in the definition of Rating Methodology Event.

Such certificate and confirmation shall be conclusive and binding evidence of the satisfaction of the conditions precedent set out above.

8.5 **Issuer call right and early redemption due to a Change of Control Event**

If a Change of Control Event occurs, the Issuer may, during the period commencing 90 days after the occurrence of a Change of Control Event and ending 60 days thereafter (the "**Change of Control Redemption Period**"), call and redeem the Notes (in whole but not in part) at the relevant Early Redemption Amount upon giving not less than 15 and not more than 60 days' irrevocable notice to the Agents and the Noteholders in accordance with Condition 13 (*Notices*). Upon the expiry of such notice, the Issuer shall redeem the Notes.

8.6 **Issuer call right and early redemption due to a Substantial Repurchase Event**

If a Substantial Repurchase Event occurs, the Issuer may, at any time, call and redeem the remaining Notes (in whole but not in part) at the relevant Early Redemption Amount upon giving not less than 15 and not more than 60 days' irrevocable notice of redemption to the Agents and the Noteholders in accordance with Condition 13 (*Notices*). Upon the expiry of such notice, the Issuer shall redeem the Notes.

8.7 Issuer call right and early redemption due to a Tax Deductibility Event

- (a) If a Tax Deductibility Event occurs, the Issuer may call and redeem the Notes (in whole but not in part) at any time at the relevant Early Redemption Amount giving not less than 15 and not more than 60 days' irrevocable notice to the Agents and the Noteholders in accordance with Condition 13 (*Notices*). Upon the expiry of such notice, the Issuer shall redeem the Notes.
- (b) The due date for redemption of which notice pursuant to this Condition 8.7 may be given shall be no earlier than the latest practicable date on which the Issuer, could make a Tax Deduction (that has not been materially reduced).
- (c) Prior to the giving of any notice of variation pursuant to this Condition 8.7, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent:
 - (i) a certificate signed by two Authorised Signatories on behalf of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent in paragraphs (i) and (ii) of the definition of "Tax Deductibility Event" to the right of the Issuer so to redeem have been satisfied; and
 - (ii) an opinion of independent legal or tax advisers of recognised standing to the effect that showing that the conditions precedent in paragraphs (i) and (ii) of the definition of "Tax Deductibility Event" to the right of the Issuer so to redeem have been satisfied.

Such certificate and opinion shall be conclusive and binding evidence of the satisfaction of the conditions precedent set out above.

The first in time of any notice delivered under Condition 8.2 (*Redemption, Substitution and Variation - Issuer call right and early redemption at the option of the Issuer*) to this Condition 8.7 (inclusive) shall prevail.

8.8 Substitution or Variation to remedy a Tax Event, Rating Methodology Event or Tax Deducibility Event

- (a) If at any time the Issuer determines that a Tax Event, Rating Methodology Event or Tax Deducibility Event has occurred and is continuing, the Issuer may, without the consent of the Noteholders, as an alternative to exercising the call options described in Conditions 8.3 (*Redemption, Substitution and Variation - Issuer call right and early redemption due to a Tax Event*) and/or 8.4 (*Issuer call right and early redemption due to a Rating Methodology Event*) and/or 8.7 (*Issuer call right and early redemption due to a Tax Deducibility Event*), having given not less than 15 nor more than 60 days' irrevocable notice to the Agents and the Noteholders in accordance with Condition 13 (*Notices*), either:
 - (i) substitute all, but not some only, of the Notes for; or
 - (ii) vary the terms of, the Notes, such that the Notes remain or become, as the case may be,

Qualifying Notes.

Upon the expiry of such notice, the Issuer shall either substitute or vary the terms of the Notes.

- (b) Prior to the giving of any notice of redemption pursuant to this Condition 8.8, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent:
- (i) a certificate signed by two Authorised Signatories of the Issuer and stating that: (1) the relevant requirement or circumstance giving rise to the right to substitute or vary, as the case may be, is satisfied or has occurred; and (2) the terms of the relevant Qualifying Notes or the Notes as so varied are not materially less favourable to Noteholders than the terms of the Notes prior to such substitution or variation and that a determination was reached by the Issuer in consultation with an independent investment bank, independent financial adviser or legal counsel that the criteria specified in the definition of Qualifying Notes will be satisfied upon such substitution or variation; and
 - (ii) legal opinions from one or more international law firms of good repute in form and content as to: (1) the capacity and authority of the Issuer, in respect of the relevant Qualifying Notes or the Notes as so varied; and (2) the legality, validity and enforceability of the relevant Qualifying Notes or the Notes as so varied under all relevant laws.

Such certificate and opinion(s) shall be conclusive and binding evidence of the satisfaction of the conditions precedent set out above.

- (c) In connection with any substitution or variation of the Notes, the Issuer shall comply with the rules of Euronext Dublin or any other listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation.
- (d) Any substitution or variation in accordance with this Condition 8.8 is subject to: (i) any such substitution or variation not giving rise to a Tax Event, Rating Methodology Event or Tax Deducibility Event with respect to the Qualifying Notes or the Notes as so varied; and (ii) any Optionally Outstanding Payment (if any) having been paid in full.

8.9 Purchase

The Issuer and/or any of its subsidiaries may purchase the Notes in the open market or otherwise at such price(s) and upon such other conditions as may be agreed upon between the Issuer or the relevant subsidiary (as the case may be) and the relevant Noteholders. Upon any such purchase, the Issuer may (but shall not be obliged to) deliver such Notes for cancellation.

8.10 Cancellation

All Notes which are redeemed will forthwith be cancelled. All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 8.9 (*Redemption, Substitution and Variation - Purchase*) cannot be reissued or resold.

9. ENFORCEMENT EVENTS

9.1 Enforcement Event

Upon the occurrence of an Enforcement Event, any holder of the Notes may give written notice to the Issuer at the specified office of the Fiscal Agent, effective upon the date of receipt thereof by the Fiscal Agent, that such Note is due and payable, whereupon the same shall become forthwith due and payable at the relevant Early Redemption Amount, without presentation, demand, protest or other notice of any kind.

9.2 **Dissolution Remedies**

Any Noteholder may at any time, at its discretion (a) institute any steps, actions or proceedings for the winding-up, bankruptcy, dissolution or liquidation (or analogous event) of the Issuer; (b) prove or claim in the winding-up, bankruptcy, dissolution or liquidation (or analogous event) of the Issuer; and/or (c) take such other steps, actions or proceedings which, under the laws of the United Arab Emirates, have an analogous effect to the actions referred to in (a) to (c) above (in each case, without prejudice to Condition 4.2 (*Status and Subordination – Subordination of the Notes*)), for such payment referred to in Condition 9.1 (*Enforcement Events – Enforcement Event*), **provided that** the institution of any such steps, actions or proceedings shall not have the effect that the Issuer shall be obliged to pay any sum or sums sooner than would otherwise have been payable by it. Noteholders may only take any such steps, actions or proceedings as described in this Condition 9 and may take no further or other steps, actions or proceedings to enforce, prove or claim for any payment.

10. **TAXATION**

All payments of principal and interest in respect of the Notes by the Issuer will be made free and clear of, without withholding or deduction for, or on account of any Taxes unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in respect of the Notes (as the case may be), in the absence of such withholding or deduction ("**Additional Amounts**"), except that no such Additional Amount shall be payable in relation to any payment to any Noteholder:

- (a) who is liable for such Taxes in respect of such Note by reason of having some connection with any Relevant Jurisdiction other than the mere holding of such Note; or
- (b) (where the relevant Individual Certificate is required to be presented for payment and is presented for payment more than 30 days after the Relevant Date) except to the extent that a holder would have been entitled to an Additional Amount on the last day of such period of 30 days; or

As used in these Conditions: (i) "**Relevant Date**" means the date on which such payment first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the holders of the Notes in accordance with Condition 13 (*Notices*) that, upon further presentation of the Note in accordance with the Conditions, such payment will be made, **provided that** payment is in fact made upon such presentation; and (ii) any reference to a Redemption Amount, any Interest Payment Amounts, any Optionally Outstanding Payments or any Outstanding Payments payable in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts payable under this Condition 10.

Notwithstanding any other provision in these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Notes for, or on account of, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

11. **PRESCRIPTION**

Claims for payment in respect of the Notes will become void unless made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date therefor.

12. **REPLACEMENT OF INDIVIDUAL CERTIFICATES**

Should any Individual Certificate be lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Replacement Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Individual Certificate is subsequently presented for payment, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Individual Certificate) and otherwise as the Issuer and the Replacement Agent may require. Mutilated or defaced Individual Certificates must be surrendered before replacements will be issued.

13. **NOTICES**

All notices to the holders of the Notes will be valid if: (a) published in a daily newspaper (which will be in a leading English language newspaper) having general circulation in the Gulf region and a daily newspaper having general circulation in London (which is expected to be the Financial Times); or (b) mailed to them by first class pre-paid registered mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses in the Register. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being admitted to listing, trading and/or quotation. Any notice shall be deemed to have been given on the second day after being so mailed or on the date of publication or, if so published more than once or on different dates, on the date of the first publication.

For so long as all the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear and/or Clearstream, Luxembourg, notices may be given by delivery of the relevant notice to those clearing systems for communication to the holders rather than by mailing as provided for in the paragraph above except that, so long as the Notes are listed on any stock exchange and/or admitted to listing, trading and/or quotation by any other relevant authority, notices shall also be published in accordance with the rules of such stock exchange or other relevant authority on which the Notes are admitted to listing, trading and/or quotation. Any such notice shall be deemed to have been given on the day on which such notice is delivered to the relevant clearing systems.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together (in the case of any Individual Certificate) with the relevant Individual Certificate(s), with the Registrar. Whilst any of the Notes are represented by a Global Certificate, such notice may be given by any holder of a Note to the Registrar through Euroclear and/or Clearstream, Luxembourg (as the case may be), in such manner as the Registrar, and Euroclear and/or Clearstream, Luxembourg (as the case may be) may approve for this purpose.

14. **MEETINGS OF HOLDERS OF THE NOTES AND MODIFICATION**

The Agency Agreement contains provisions for convening meetings of the holders of the Notes to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes or any of the provisions of the Agency Agreement or the Deed of Covenant. Such a meeting may be convened by the Issuer and shall be convened by the Issuer if required in writing by holders of the Notes holding not less than 10 per cent. in principal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing in aggregate not less than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing holders of the Notes whatever the principal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes (as specified in the Agency Agreement, and including (without limitation) modifying any

date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes, altering the currency of payment of the Notes or modifying the provisions concerning the quorum required at any meeting of holders of the Notes or the majority required to pass the Extraordinary Resolution), the quorum shall be one or more persons holding or representing not less than two-thirds in principal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the holders of the Notes shall be binding on all the holders of the Notes, whether or not they are present at the meeting, and whether or not they voted on the resolution.

The Agency Agreement provides that a written resolution signed by or on behalf of all the holders of Notes shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of holders of the Notes duly convened and held. Such a written resolution may be contained in one document or several documents in the same form, each signed by or on behalf of one or more of the holders of the Notes. Such a written resolution will be binding on all holders of the Notes whether or not they participated in such written resolution.

The Fiscal Agent and the Issuer may agree, without the consent of the holders of the Notes, to:

- (a) any modification (except as mentioned above) of these Conditions, the Notes, the Agency Agreement or the Deed of Covenant which is not prejudicial to the interests of the holders of the Notes (as determined by the Issuer in its sole opinion, acting in good faith); or
- (b) any modification of the Notes, the Agency Agreement or the Deed of Covenant which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

In addition, the Fiscal Agent shall be obliged to agree to such modifications of the Notes, the Agency Agreement or the Deed of Covenant as may be required in order to give effect to Condition 8.8 (*Redemption, Substitution and Variation – Substitution or Variation to remedy a Tax Event, Rating Methodology Event or Tax Deducibility Event*) in connection with any substitution or variation of the Notes upon the occurrence of a Tax Event, Rating Methodology Event or Tax Deducibility Event (as applicable).

Any such modification shall be binding on the holders of the Notes and any such modification shall be notified to the holders of the Notes in accordance with Condition 13 (*Notices*) as soon as practicable thereafter.

15. **FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the holders of Notes to create and issue additional Notes having the same terms and conditions as the outstanding Notes on terms and conditions which are the same in all respects, save for the date and amount of the first payment of the Interest Payment Amount and the date from which Interest Payment Amounts start to accrue and so that the same shall be consolidated and form a single series with the outstanding Notes. Any additional Notes which are to form a single series with the outstanding Notes previously constituted by the Deed of Covenant. References in these Conditions to the Notes include (unless the context requires otherwise) any other notes issued pursuant to this Condition 15 and forming a single series with the Notes.

16. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No rights are conferred on any Person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these Conditions, but this does not affect any right or remedy of any Person which exists or is available apart from that Act.

17. **GOVERNING LAW AND DISPUTE RESOLUTION**

17.1 **Governing law**

The Agency Agreement, the Deed of Covenant and the Notes (including the remaining provisions of this Condition 17, and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed of Covenant and the Notes) shall be governed by, and construed in accordance with, English law.

17.2 **Arbitration**

Subject to Condition 17.3 (*Option to Litigate*) any dispute, claim, difference or controversy arising out of, relating to or having any connection with the Notes (including any dispute, claim, difference or controversy regarding its existence, validity, interpretation, performance, breach or termination of the Agency Agreement, the Deed of Covenant, the Notes or this Condition 17.2 or the consequences of their nullity or any dispute relating to any non-contractual obligations arising out of or in connection with them) (a "**Dispute**") shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the LCIA (the "**Rules**"), which Rules (as amended from time to time) are incorporated by reference into this Condition 17.2. For these purposes:

- (a) the seat of arbitration shall be London, England;
- (b) there shall be three independent arbitrators, each of whom shall be an attorney experienced in international securities transactions. The parties to the Dispute shall each nominate one arbitrator and both arbitrators in turn shall appoint a further arbitrator who shall be the presiding arbitrator. In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly shall each nominate one arbitrator. If one party or both fails to nominate an arbitrator within the time limits specified by the Rules, such arbitrator(s) shall be appointed by the LCIA. If the party-nominated arbitrators fail to nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA; and
- (c) the language of the arbitration shall be English.

17.3 **Option to Litigate**

Notwithstanding Condition 17.2 any Agent may, in the alternative, and at its sole discretion, by notice in writing to the Issuer:

- (a) within 28 days of service of a Request for Arbitration (as defined in the Rules); or
- (b) in the event no arbitration is commenced

require that a Dispute be heard by a court of law. If any Agent gives such notice, the Dispute to which such notice refers shall be determined in accordance with Condition 17.5 and, subject as provided below, any arbitration commenced under Condition 17.2 in respect of that Dispute will be terminated. Each of the parties to the terminated arbitration will bear its own costs in relation thereto.

17.4 **Notice to Terminate**

If any notice to terminate is given after service of any Request for Arbitration in respect of any Dispute, the party must also promptly give notice to the LCIA and to any Tribunal (each as defined in the Rules) already appointed in relation to the Dispute that such Dispute will be settled by the courts. Upon receipt of such notice by the LCIA, the arbitration and any

appointment of any arbitrator in relation to such Dispute will immediately terminate. Any such arbitrator will be deemed to be functus officio. The termination is without prejudice to the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

17.5 Effect of Exercise of Option to Litigate

In the event that a notice pursuant to Condition 17.3 is issued, the following provisions shall apply:

- (a) subject to paragraph (b) below, the courts of England or the ADGM at the option of the Noteholders, shall have exclusive jurisdiction to settle any Dispute and the Issuer submits to the exclusive jurisdiction of such courts;
- (b) the Issuer waives any objection to the courts of either England or the ADGM on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute; and
- (c) this Condition 17.5 is for the benefit of the Noteholders only. As a result, and notwithstanding paragraph (a) above, to the extent allowed by law, any Agent may take proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, the Noteholders may take concurrent Proceedings in any number of jurisdictions.

17.6 Service of Process

The Issuer irrevocably appoints Maples and Calder at 6th Floor, DUO, 280 Bishopsgate, London EC2M 4RB, England as its agent for service of process in any proceedings before the English courts in relation to any Disputes and agrees that in the event of Maples and Calder being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Disputes and, failing such appointment within 15 days, any Agent shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer. Nothing herein shall affect the right to serve process in any other manner permitted by law.

17.7 Waiver of Immunity

The Issuer acknowledges that the transactions contemplated by this Agreement are commercial transactions and, to the extent that the Issuer may be able to claim in any jurisdiction, for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer has agreed not to claim and irrevocably and unconditionally waived such immunity to the fullest extent permitted by the laws of such jurisdiction in relation to any Proceedings or Disputes. In addition, the Issuer has irrevocably and unconditionally consented to the giving of any relief or the issue of any legal proceedings, including, without limitation, jurisdiction, enforcement, pre-judgment proceedings and injunctions in connection with any Dispute and the making, enforcement or execution against any of its assets whatsoever of any award, order or judgment made or given in connection with any Proceedings or Disputes. However, notwithstanding the foregoing, the Issuer expressly disclaims whether Article 242 of the United Arab Emirates Federal Law No. 42 of 2022 Promulgating the Civil Procedure Code will apply to its assets, revenues or property and the provisions of this Condition 17 shall be read subject to Article 242.

USE OF PROCEEDS

The proceeds from the issue of the Notes will be used by the Issuer for its general corporate purposes.

SELECTED FINANCIAL INFORMATION

The following information has been extracted from, should be read in conjunction with, and is qualified by reference to, the Financial Statements and should also be read in conjunction with "Financial review". See also "Presentation of financial and other information" for a discussion of the sources of the numbers contained in these Listing Particulars. Results of operations for interim periods may not be indicative of results of operations for a full year.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION DATA

The table below shows the Group's consolidated statement of financial position data as at 30 September 2024 and as at 31 December in each of 2023, 2022 and 2021.

	As at 30 September	As at 31 December		
	2024	2023	2022	2021
		(AED thousand)		
ASSETS				
Non-current assets				
Property, plant and equipment.....	6,656,165	6,513,316	5,606,522	3,557,052
Intangible assets and goodwill.....	1,790,074	1,882,835	374,944	293,195
Investment properties	27,898,068	26,217,542	23,933,024	18,025,935
Investment in associates and joint venture	189,775	151,167	84,662	108,359
Investment in financial assets	972,696	718,969	98,634	41,659
Derivative financial instruments.....	86,258	8,311	207,045	20,299
Trade receivables and other assets.....	609,210	805,763	578,732	526,839
Deferred tax assets ⁽¹⁾	35,942	—	—	—
Total non-current assets.....	38,238,188	36,297,903	30,883,563	22,573,338
Current assets				
Plots of land held for sale	6,842,828	7,787,308	4,822,121	5,137,885
Development work in progress.....	7,652,039	6,243,802	3,835,682	4,503,543
Inventories.....	420,494	606,334	855,049	1,029,411
Investment in financial assets	4,585	93,147	179,744	77,475
Contract assets.....	3,451,893	1,875,744	568,563	306,471
Trade receivables and other assets.....	11,050,888	8,235,672	7,583,154	7,057,481
Cash and bank balances.....	13,292,451	11,718,158	12,548,108	8,857,133
Total current assets	42,715,178	36,560,165	30,392,421	26,969,399
Total assets.....	80,953,366	72,858,068	61,275,984	49,542,737
EQUITY AND LIABILITIES				
Equity				
Share capital	7,862,630	7,862,630	7,862,630	7,862,630
Statutory reserve.....	3,931,315	3,931,315	3,931,315	3,931,315
Cash flow hedging reserve	152,991	165,130	190,248	(422)
Investment revaluation reserve.....	(3,873)	(8,790)	(2,310)	9,800
Assets revaluation reserve	73,623	73,623	73,623	73,623
Foreign currency translation reserve	(812,880)	(536,624)	(385,312)	—
Retained earnings	22,093,928	19,577,817	16,679,139	15,044,624
Equity attributable to owners of the company....	33,297,734	31,065,101	28,349,333	26,921,570
Hybrid equity instrument.....	1,815,647	1,815,647	1,815,647	—
Non-controlling interests	5,831,245	5,302,298	4,380,218	715,213
Total equity	40,944,626	38,183,046	34,545,198	27,636,783
Non-current liabilities				
Non-convertible sukuk	5,533,557	5,456,856	3,644,812	3,641,186
Bank borrowings	8,272,657	5,488,558	6,005,341	4,408,755
Retentions payable	596,677	542,998	676,001	533,835
Lease liabilities.....	932,879	848,365	436,545	295,517
Employee benefits	422,167	339,482	296,893	223,345
Derivative financial liabilities	—	—	—	6,648
Trade and other payables.....	3,349,720	3,918,771 ⁽²⁾	897,810	1,472,397
Deferred tax liability ⁽³⁾	93,893	—	—	—
Total non-current liabilities.....	19,201,550	16,595,030	11,957,402	10,581,683

	As at 30 September	As at 31 December		
	2024	2023	2022	2021
		(AED thousand)		
Current liabilities				
Non-convertible sukuk	1,477,979	46,098	37,104	36,665
Bank borrowings	111,840	1,087,654	608,301	290,284
Retentions payable	809,198	723,756	1,056,294	812,919
Lease liabilities.....	81,466	78,505	48,988	37,743
Advances from customers	783,585	633,019	481,054 ⁽⁴⁾	762,357
Contract liabilities	6,820,902	6,429,003	2,917,639 ⁽⁴⁾	1,835,151
Trade and other payables.....	10,722,220	9,081,957 ⁽²⁾	9,624,004	7,549,152
Total current liabilities.....	20,807,190	18,079,992	14,773,384	11,324,271
Total liabilities	40,008,740	34,675,022	26,730,786	21,905,954
Total equity and liabilities	80,953,366	72,858,068	61,275,984	49,542,737

Notes:

- (1) In the Annual Financial Statements, 'Deferred tax assets' was included as part of 'Trade receivables and other assets' and amounted to AED 80,773 thousand as at 31 December 2023, AED 57,302 thousand as at 31 December 2022 and AED 47,368 thousand as at 31 December 2021.
- (2) In the Interim Financial Information, reflecting the reclassification of certain liabilities between current and non-current liabilities, the comparative figures as at 31 December 2023 for 'Trade and other payables – non-current liabilities' and 'Trade and other payables – current liabilities' were AED 3,937,905 thousand and AED 8,979,444 thousand, respectively. This has a corresponding impact on the total figures for non-current liabilities and current liabilities, but did not impact 'Total liabilities'.
- (3) In the 2023 Financial Statements, 'Deferred tax liability' as at 31 December 2023 was included as part of 'Trade and other payables' and amounted to AED 83,379 thousand. There was no deferred tax liability as at 31 December in either 2022 or 2021.
- (4) In the 2022 Financial Statements, 'Advances from customers' amounted to AED 1,005,467 thousand and 'Contract liabilities' amounted to AED 2,393,226 thousand. The figures in the table reflect the reclassification in the 2023 Financial Statements of AED 524,413 thousand recorded as 'Advances to customers' as at 31 December 2022 in the 2022 Financial Statements to 'Contract liabilities' as at 31 December 2022 in the 2023 Financial Statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS DATA

The table below shows the Group's consolidated statement of profit or loss data for the nine-month periods ended 30 September in each of 2024 and 2023.

	Nine months ended 30 September	
	2024	2023
	(AED thousand)	
Revenue and rental income	16,500,113	9,763,160
Direct costs	(10,824,332)	(5,769,459)
Gross profit	5,675,781	3,993,701
Selling and marketing expenses	(84,654)	(81,870)
General and administrative expenses		
Staff costs	(509,755)	(423,064)
Depreciation and amortisation	(418,280)	(318,127)
Provisions, impairments and write-downs, net	(26,542)	(168,808)
Others	(321,415)	(301,211)
Gain on revaluation of investment properties, net	375,732	212,176
Share of results of associates and joint venture	(675)	(5,893)
Gain on disposal of investment properties.....	75,263	19,385
Income/(loss) from financial assets at FVTPL	31,142	(815)
Finance income	525,535	346,722
Finance costs	(697,872)	(432,454)
Other income	155,744	239,551
Profit for the period before tax.....	4,780,004	3,079,293
Income tax expense	(205,307)	(74,834)
Profit for the period after tax	4,574,697	3,004,459
Attributable to:		
Equity holders of the company	3,956,048	2,717,961

Nine months ended 30 September	
2024	2023
(AED thousand)	
Non-controlling interests	618,649
	286,498
	4,574,697
	3,004,459

The table below shows the Group's consolidated statement of profit or loss data for each of 2023, 2022 and 2021.

	2023	2022	2021
		(AED thousand)	
Revenue and rental income	14,160,938	11,200,027	8,575,950
Direct costs	(8,587,565)	(6,688,516) ⁽¹⁾	(4,975,906)
Gross profit	5,573,373	4,511,511⁽¹⁾	3,600,044
Selling and marketing expenses	(114,886)	(220,321) ⁽¹⁾	(182,592)
General and administrative expenses			
Staff costs	(545,245)	(626,946)	(451,529)
Depreciation and amortisation	(447,625)	(342,790)	(250,189)
Provisions, impairments and write-downs, net	(225,945)	(63,837)	(247,051)
Others	(488,850)	(464,964)	(231,941)
Loss on disposal of property, plant and equipment	—	— ⁽²⁾	(2,037)
Fair value (loss)/gain on revaluation of financial assets at fair value through profit or loss	(2,456)	4,708 ⁽²⁾	—
Gain on revaluation of investment properties, net	600,157	442,797	146,383
Share of results of associates and joint venture	(7,416)	(7,765)	(8,214)
Gain on disposal of investment properties	23,962	28,992	14,637
Gain on bargain purchase	—	9,104	99,469
Finance income	498,773	217,643	48,444
Finance costs	(621,166)	(397,348)	(265,558)
Other income	285,697	92,183 ⁽²⁾	63,583
Profit for the year before tax	4,528,373	3,182,967	2,333,449
Income tax expense	(111,967)	(39,234)	—
Profit for the year after tax	4,416,406	3,143,733	2,333,449
Attributable to:			
Owners of the company	3,922,263	2,944,464	2,315,601
Non-controlling interests	494,143	199,269	17,848
	4,416,406	3,143,733	2,333,449

Notes:

- (1) In the 2022 Financial Statements, 'Direct costs' amounted to AED 6,466,198 thousand and 'Selling and marketing expenses' amounted to AED 442,639 thousand. The figures in the table reflect the reclassification in the 2023 Financial Statements of AED 222,318 thousand recorded as 'Selling and marketing expenses' in 2022 in the 2022 Financial Statements to 'Direct costs' in 2022 in the 2023 Financial Statements. For the same reason, 'Gross profit' was AED 4,733,829 thousand for 2022 in the 2022 Financial Statements.
- (2) In the 2022 Financial Statements, 'Other income' amounted to AED 97,056 thousand, there was no fair value loss or gain on revaluation of financial assets at fair value through profit or loss and 'Loss on disposal of property, plant and equipment' amounted to AED 165 thousand. The figures in the table reflect the reclassification in the 2023 Financial Statements of (i) AED 4,708 thousand recorded as 'Other income' in 2022 in the 2022 Financial Statements to 'Fair value gain on revaluation of financial assets at fair value through profit or loss' in 2022 in the 2023 Financial Statements and (ii) AED 165 thousand recorded as 'Loss on disposal of property, plant and equipment' in 2022 in the 2022 Financial Statements to 'Other income' in 2022 in the 2023 Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME DATA

The table below shows the Group's consolidated statement of comprehensive income data for the nine-month periods ended 30 September in each of 2024 and 2023.

	Nine months ended 30 September	
	2024	2023
	(AED thousand)	
Profit for the period	4,574,697	3,004,459
Other comprehensive income		
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>		
Foreign exchange differences on translation of foreign operations	(456,719)	(251,485)
Fair value loss on cash flow hedges arising during the period....	—	(22,052)
Net movement in hedging instruments reclassified to profit or loss	(13,775)	(2,430)
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>		
Fair value gain/(loss) on revaluation of financial assets at fair value through other comprehensive income	4,917	(2,830)
Other comprehensive loss for the period	(465,577)	(278,797)
Total comprehensive income for the period	4,109,120	2,725,662
Attributable to:		
Equity holders of the company	3,672,570	2,543,016
Non-controlling interests	436,550	182,646
	4,109,120	2,725,662

The table below shows the Group's consolidated statement of comprehensive income data for each of 2023, 2022 and 2021.

	2023	2022	2021
	(AED thousand)		
Profit for the year	4,416,406	3,143,733	2,333,449
Other comprehensive income			
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Foreign exchange differences on translation of foreign operations	(252,741)	(643,689)	—
Fair value (loss)/gain on cash flow hedges during the year	(20,713)	193,394	27,326
Net (loss)/gain on hedging instruments reclassified to profit or loss	(7,787)	6,947	3,306
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>			
Fair value gain on revaluation of property, plant and equipment upon transfer to investment properties	—	—	73,623
Fair value (loss)/gain on revaluation of financial assets at fair value through other comprehensive income	(6,480)	52,685	11,003
Other comprehensive (loss)/income for the year	(287,721)	(390,663)	115,258
Total comprehensive income for the year	4,128,685	2,753,070	2,448,707
Attributable to:			
Owners of the company	3,739,353	2,802,507	2,430,859
Non-controlling interests	389,332	(49,437)	17,848
	4,128,685	2,753,070	2,448,707

CONSOLIDATED STATEMENT OF CASH FLOWS DATA

The table below summarises the Group's consolidated statement of cash flows data for the nine-month periods ended 30 September in each of 2024 and 2023.

	Nine months ended 30 September	
	2024	2023
	<i>(AED thousand)</i>	
Operating cash flows before movements in working capital	5,062,377	3,529,895
Net cash generated from operating activities.....	2,128,131	2,818,924
Net cash generated from/(used in) investing activities	1,436,095	(3,027,570)
Net cash generated from/(used in) financing activities.....	864,957	(1,893,824)
Net increase/(decrease) in cash and cash equivalents.....	4,429,183	(2,102,470)
Cash and cash equivalents at the beginning of the period	4,963,096	7,020,318
Cash and cash equivalents at the end of the period.....	9,280,481	4,866,843

The table below summarises the Group's consolidated statement of cash flows data for each of 2023, 2022 and 2021.

	2023	2022	2021
	<i>(AED thousand)</i>		
Operating cash flows before movements in working capital	4,791,243	3,382,380	2,648,604
Net cash generated from operating activities.....	3,589,649	6,300,519 ⁽¹⁾	5,800,258
Net cash used in investing activities	(4,063,497)	(9,851,077)	(1,359,456)
Net cash (used in)/generated from financing activities.....	(1,533,145)	5,327,247 ⁽¹⁾	(1,643,432)
Net (decrease)/increase in cash and cash equivalents.....	(2,006,993)	1,776,689	2,797,370
Cash and cash equivalents at the beginning of the year.....	7,020,318	5,383,855	2,586,485
Cash and cash equivalents at the end of the year.....	4,963,096	7,020,318	5,383,855

Note:

- (1) In the 2022 Financial Statements, 'Net cash generated from operating activities' amounted to AED 6,226,922 thousand and 'Net cash generated from financing activities' amounted to AED 5,400,844 thousand. The figures in the table reflect the reclassification in the 2023 Financial Statements of amounts recorded as 'Increase in trade and other payables' under operating activities – movement in working capital in 2022 in the 2022 Financial Statements to 'Cash flows from financing activities' in 2022 in the 2023 Financial Statements.

SELECTED FINANCIAL RATIOS AND KEY PERFORMANCE INDICATORS

Selected financial ratios

The table below shows selected financial ratios for the Group as at, and for the nine months ended, 30 September in each of 2024 and 2023 and as at, and for the years ended, 31 December in each of 2023, 2022 and 2021. The financial ratios set out below are all APMs.

	As at/nine months ended 30 September		As at/year ended 31 December		
	2024	2023	2023	2022	2021
Profit margins⁽¹⁾ (per cent.):					
Property Development & Sales operating segment	31	36	33	19	25
Project management services operating segment	34	40	44	40	28
International operating segment	2	17	17	20	—
Hospitality & Leisure operating segment	(7)	2	10	33	(16)
Education operating segment.....	18	20	19	17	18
Estates operating segment	10	7	8	8	8
Aldar Investments operating segment	75	66	79	71	56
Adjusted EBITDA margins⁽²⁾ (per cent.):					
Property Development & Sales operating segment	31	34	31	18	22

	As at/nine months ended		As at/year ended 31 December		
	30 September		2023	2022	2021
	2024	2023			
Project management services operating segment	29	35	38	40	30
International operating segment	5	13	16	16	—
Hospitality & Leisure operating segment	29	30	34	25	18
Education operating segment.....	33	29	28	26	27
Estates operating segment	14	10	11	12	11
Aldar Investments operating segment	74	72	70	62	63
Group Adjusted EBITDA ⁽³⁾ (AED thousand) ..	4,976,955	3,237,854	4,455,473	2,821,523	2,554,900
Group Adjusted EBITDA margin (per cent.) ..	30	33	31	25	30
Group net profit margin (per cent.)	28	31	31	28	27
Group weighted average cost of debt ⁽⁴⁾ (per cent.).....	6	5	5	6	3
Group loan to value (LTV) ratio ⁽⁵⁾ (per cent.) ..	19	15	17	17	17
Aldar Development LTV ratio ⁽⁶⁾ (per cent.)...	16	5	7	4	6
Aldar Investments LTV ratio ⁽⁷⁾ (per cent.).....	23	25	24	29	31
Group tangible net worth ⁽⁸⁾ (AED billion)	40,944,626	36,729,107	38,183,046	34,545,198	27,636,783

Notes:

- (1) Calculated as profit for the period/year for the relevant operating segment divided by gross revenue for the period/year for the relevant operating segment, in each case as shown in note 32 to the Interim Financial Statements, note 26 to the 2023 Financial Statements and note 25 to the 2022 Financial Statements.
- (2) Calculated as Adjusted EBITDA (determined in the same manner as described below under "—Adjusted EBITDA") for the period/year for the relevant operating segment divided by gross revenue for the period/year for the relevant operating segment.
- (3) Calculated as Adjusted EBITDA for the period/year divided by gross revenue for the period/year.
- (4) Calculated as average cost of debt of each of the borrowings outstanding weighted by outstanding amount of each of the loans, bonds and sukuk, in each case as at 30 September or 31 December, as the case may be.
- (5) Calculated as total borrowings outstanding divided by total assets, in each case as at 30 September or 31 December, as the case may be.
- (6) Calculated as total borrowings outstanding of the Aldar Development business divided by the total assets of the Aldar Development business, in each case as at 30 September or 31 December, as the case may be. This APM is included because the Group's policy is to maintain the leverage of the Aldar Development business at less than 25 per cent.
- (7) Calculated as total borrowings outstanding of the Aldar Investments business divided by the total assets of the Aldar Investments business, in each case as at 30 September or 31 December, as the case may be. This APM is included because the Group's policy is to maintain the leverage of the Aldar Investments business at less than 40 per cent.
- (8) Calculated as total assets less total liabilities, in each case as at 30 September or 31 December, as the case may be. This APM is included because the Group has covenanted in certain of its borrowings to maintain a minimum tangible net worth of either AED 4 billion or AED 6 billion.

Key performance indicators

The table below shows selected key performance indicators for the Aldar Development business and for each of the operating business segments in the Aldar Investments business as at, and for the nine months ended, 30 September in each of 2024 and 2023 and as at, and for the years ended, 31 December in each of 2023, 2022 and 2021, in each case to the extent calculated at that date.

	As at/nine months ended		As at/year ended 31 December		
	30 September		2023	2022	2021
	2024	2023			
Aldar Development					
Adjusted EBITDA (AED billion)	3.19	1.86	2.4	1.5	1.2
Group sales⁽¹⁾ (AED billion)					
UAE	20.2	17.0	24.3	11.0	7.2
International	3.7	2.4	3.6	3.4	—
Group backlog⁽²⁾ (AED billion)					
UAE	40.5	23.6	29.1	12.1	6.0
International	8.1	5.5	7.6	5.5	—
Units sold⁽³⁾ (thousands)					
UAE	5.5	5.0	7.0	3.5	2.5

	As at/nine months ended 30 September		As at/year ended 31 December		
	2024	2023	2023	2022	2021
International	1.3	1.4	2.0	2.9	—
Projects (number)					
Under construction	54	31	32	34	N/A
Approved and in design.....	22	28	50	31	N/A
Aldar Investments					
Adjusted EBITDA (<i>AED billion</i>)	2.0	1.6	2.2	1.6	1.4
Investment Properties					
Occupancy ⁽⁴⁾ (<i>per cent.</i>)	95	95	93	92	91
WAULT ⁽⁵⁾ (<i>years</i>)	3.5	3.4	3.6	3.7	3.5
Leasable area ⁽⁶⁾ (<i>thousand m²</i>).....	2,018	2,005	2,017	2,033	1,690
Hospitality & Leisure					
Occupancy ⁽⁷⁾ (<i>per cent.</i>)	71	68	70	72	55
Average daily rate ⁽⁸⁾ (<i>AED</i>)	586	564	626	509	402
Revenue per available room ⁽⁹⁾ (<i>AED</i>).....	418	384	440	368	220
Aldar Education					
Number of operated schools ⁽¹⁰⁾	12	11	11	10	9
Number of managed schools ⁽¹⁰⁾	19	20	20	18	11
Number of students in operated schools (<i>thousands</i>).....	16	14	14	11	10
Number of students in managed schools (<i>thousands</i>).....	21	25	24	22	16
Aldar Estates					
Facility management total order book (<i>AED million</i>).....	851	1,210	1,140	N/A	N/A
Community services total order book <i>AED million</i>).....	714	342	809	N/A	N/A
Valuation & advisory deal pipeline <i>AED million</i>).....	150	N/A	N/A	N/A	N/A
Property management residential units (<i>thousands</i>).....	156	137	140	N/A	N/A
Property management commercial GLA (<i>thousand m²</i>).....	1,743	648	681	N/A	N/A
Property management retail GLA (<i>thousand m²</i>).....	410	602	604	N/A	N/A

Notes:

- (1) Aldar Development Group sales represents local and international sales of residential units. Sales are off-balance sheet transactions and do not represent revenue, which is recognised as stated in note 3.11 to the 2023 Financial Statements.
- (2) Aldar Development Group backlog represents the Group's revenue backlog which is described under "Presentation of Financial and other information—Presentation of Financial information—Backlog".
- (3) Aldar Development units sold represents the number of units for which a contract to sell has been signed in the period.
- (4) Represents the total occupancy rate for Aldar Investments' commercial, residential, retail and logistics investments properties. Occupancy is calculated based on area rather than value.
- (5) WAULT is the weighted average unexpired lease term.
- (6) Represents the total leasable area for Aldar Investments' commercial, residential, retail and logistics investments properties.
- (7) Represents the occupancy rate across Aldar Investments' hotel portfolio calculated as rooms occupied divided by the total number of available rooms.
- (8) Represents the average daily rate per room across Aldar Investments' hotel portfolio calculated as revenue from rooms occupied divided by the number of rooms occupied.
- (9) Represents the revenue per available room across Aldar Investments' hotel portfolio calculated as total revenue from rooms occupied divided by the number of available rooms.
- (10) In each case for the academic year or period ending in the date or period stated.

ADJUSTED EBITDA

Adjusted EBITDA has been calculated as profit for the year after tax adjusted to add back or subtract, as the case may be, finance costs, finance income, income tax expense, depreciation, amortisation, fair value gain on investment properties, net, other fair value movements (excluding amortisation of leasehold assets), reversal of impairment and bargain purchase gains, all as recorded in the Financial

Statements. Adjusted EBITDA is an APM and is not a measure of performance under IFRS, see "Presentation of financial and other information—Presentation of financial information—Certain non-IFRS financial information".

The table below shows a reconciliation of the Group's Adjusted EBITDA to its profit for the nine-month periods ended 30 September in each of 2024 and 2023 and for each of 2023, 2022 and 2021.

	Nine months ended 30 September		Year ended 31 December		
	2024	2023	2023	2022	2021
	(AED thousand)				
Profit for the period/year after tax	4,574,697	3,004,459	4,416,406	3,143,733	2,333,449
Add/(subtract):					
Depreciation and amortisation	418,280	318,127	447,625	342,790	250,189
Finance costs	697,872	432,454	621,166	397,348	265,558
Finance income	(525,535)	(346,722)	(498,773)	(217,643)	(48,444)
Income tax expense	205,307	74,834	111,967	39,234	—
Fair value gain on investment properties, net	(375,732)	(212,176)	(600,157)	(442,797)	(146,383)
Other fair value movements (excluding amortisation of leasehold assets)	(44,692)	(43,124)	(57,498)	(98,866)	—
Reversal of impairment	—	—	—	(312,007)	—
Depreciation as part of cost of sales	26,758	24,140	31,563	20,780	—
Forex impact	—	(14,138)	(16,826)	(41,945)	—
Gain on bargain purchase	—	—	—	(9,104)	(99,469)
Adjusted EBITDA	4,976,955	3,237,854	4,455,473	2,821,523	2,554,900

The table below shows a reconciliation of Aldar Development's Adjusted EBITDA to its profit for the nine-month periods ended 30 September in each of 2024 and 2023 and for each of 2023, 2022 and 2021.

	Nine months ended 30 September		Year ended 31 December		
	2024	2023	2023	2022	2021
	(AED thousand)				
Profit for the period/year after tax	3,245,493	2,032,754	2,652,783	1,556,702	1,309,449
Add/(subtract):					
Depreciation and amortisation	71,484	60,341	84,075	70,871	29,852
Finance costs	217,007	44,513	89,394	56,154	32,712
Finance income	(469,567)	(294,458)	(403,672)	(178,199)	(55,786)
Income tax expense	123,227	20,643	53,166	39,234	-
Fair value gain on investment properties, net	-	-	(27,944)	(69,877)	(10,647)
Other fair value movements (excluding amortisation of leasehold assets)	-	-	-	-	-
Reversal of impairment	-	-	-	-	-
Depreciation as part of cost of sales	6,097	8,448	11,294	18,347	-
Forex Impact	-	(14,138)	(16,826)	(41,943)	-
Gain on bargain purchase	-	-	-	-	(99,469)
Adjusted EBITDA	3,193,741	1,858,103	2,442,270	1,451,289	1,206,111

The table below shows a reconciliation of Aldar Investments' Adjusted EBITDA to its profit for the nine-month periods ended 30 September in each of 2024 and 2023 and for each of 2023, 2022 and 2021.

	Nine months ended 30 September		Year ended 31 December		
	2024	2023	2023	2022	2021
	(AED thousand)				
Profit for the period/year after tax	1,518,737	1,181,570	2,001,884	1,763,584	1,066,704
Add/(subtract):					
Depreciation and amortisation	392,978	300,959	424,818	316,356	227,107
Finance costs	506,844	442,077	548,172	392,649	246,246
Finance income	(158,702)	(93,102)	(152,159)	(59,161)	(3,483)
Income tax expense	108,857	-	41,826	-	-
Fair value gain on investment properties, net	(375,732)	(212,176)	(572,213)	(372,920)	(135,736)
Other fair value movements (excluding amortisation of leasehold assets)	(44,692)	(43,124)	(57,498)	(98,866)	-
Reversal of impairment	-	-	-	(312,007)	-

	Nine months ended 30 September		Year ended 31 December		
	2024	2023	2023	2022	2021
			<i>(AED thousand)</i>		
Depreciation as part of cost of sales.....	20,660	15,692	20,269	2,433	-
Gain on bargain purchase	-	-	-	(9,104)	-
Adjusted EBITDA	1,968,950	1,591,896	2,255,099	1,622,964	1,400,838

FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with the information set out in "Presentation of financial and other information", "Selected financial information" and the Financial Statements.

The discussion of the Group's financial condition and results of operations is based upon the Financial Statements, which have been prepared in accordance with IFRS. This discussion contains forward-looking statements that involve risks and uncertainties. The Group's actual results could differ materially from those anticipated in these forward-looking statements due to various factors, including those discussed below and elsewhere in these Listing Particulars, particularly under the headings "Cautionary statement regarding forward-looking statements" and "Risk factors".

See "Presentation of financial and other information" for a discussion of the source of the numbers presented in this section.

OVERVIEW

The Group is a leading real estate developer, manager and investor in the UAE with a diversified and sustainable operating model centred around two businesses:

- **Aldar Development**, which operates through three divisions (i) property development and sales, its core UAE residential build-to-sell business, (ii) project management services which manages Government housing and infrastructure projects in the UAE and (iii) international, which comprises the activities of SODIC in Egypt and LSQ in the UK; and
- **Aldar Investment**, which operates through five segments (i) investment properties, which manages the Group's retail, residential, commercial and logistics investment property portfolio, (ii) hospitality and leisure, which manages the Group's hotels, golf clubs, marinas and other leisure assets, (iii) Aldar Education, which owns and operates 12 schools and manages 19 schools in the UAE as at 30 September 2024, (iv) Aldar Estates, which undertakes the Group's facility management, property management, integrated community services and valuation and advisory businesses across the UAE and in Egypt, Oman and Saudi Arabia and (v) others, which principally manages the Group's private credit and alternative real estate financial investments and includes the Group's 34.80 per cent. owned equity accounted investee, Pivot Engineering & General Contracting Co. (WLL) (Pivot), and its cloud business.

On a consolidated basis, the Group is the leading listed property developer and real estate asset manager in Abu Dhabi in terms of total assets based on the Issuer's analysis of the Group's published financial statements and those of other property developers and real estate asset managers in Abu Dhabi. The Issuer is 25.12 per cent. owned by companies owned by Mubadala Investment Company PJSC ("**Mubadala**"), which is wholly-owned by the Government. The Group continues to be an important strategic partner to the Government, having completed a wide variety of large-scale infrastructure projects and developments, including key infrastructure on Yas Island, Al Raha Beach and Reem Island, the World Trade Centre mixed-use development, the Ferrari World theme park, the Yas Waterworld Park, Yas Marina and Yas Marina Circuit. The Group had a backlog of Government projects with a total value of AED 76 billion as at 30 September 2024.

Aldar Development principally generates sales revenue from the UAE residential and international property developments which it undertakes and fee-based development management revenue from the projects which it manages on behalf of the Government. Aldar Investment principally generates rental income from its investment property portfolio, revenue from its property and facilities management businesses, revenue from its hospitality and leisure properties and fee and related income from its portfolio of schools.

The Group's revenue backlog amounted to AED 48.6 billion as at 30 September 2024, AED 39.1 billion as at 31 December 2023, AED 18.6 billion as at 31 December 2022 and AED 12.0 billion as at 31 December 2021. These amounts are expected to be recognised as revenue over the remaining term of the

relevant contracts, typically up to five years. In addition, the Group's committed future inflows from investment property leases amounted to AED 8.1 billion as at 30 September 2024, AED 7.3 billion as at 31 December 2023, AED 6.8 billion as at 31 December 2022 and AED 5.1 billion as at 31 December 2021. The majority of these amounts are expected to be recognised within five years.

The Group has three strategic objectives, which are to maximise shareholder value; grow profits and enhance margins; and expand and drive sustainable growth. A significant element of this strategy is to explore and invest in regional and international expansion whilst growing its UAE portfolio in a sustainable and agile manner, in addition to actively engaging its key stakeholders and ensuring optimal asset utilisation to drive growth.

The Group's total assets as at 30 September 2024 amounted to AED 80,953 million and its revenue and rental income and profit for the year after tax in 2023 were AED 14,161 million and AED 4,416 million, respectively. The Group's Adjusted EBITDA was AED 4,455 million in 2023.

PRINCIPAL FACTORS AFFECTING RESULTS OF OPERATIONS

The following is a discussion of the principal factors that have affected, or are expected to affect, the Group's results of operations.

Significant business combinations

The Group has entered numerous business combination transactions since 2021. Some of these transactions, for example the SODIC acquisition at the end of 2021, the Eltizam transaction in mid-2023 and the LSQ transaction at the end of 2023, have significantly affected the period-to-period comparison of the Group's results of operations.

Business combinations in the nine months ended 30 September 2024

There were no business combinations in the nine months ended 30 September 2024.

Significant business combinations in 2023

Mustard and Linen

In February 2023, the Group signed an agreement to acquire 75 per cent. of the shares of Mustard & Linen Interior Design Holdings Limited (**M&L**) for consideration of AED 25 million. M&L was consolidated from the date of acquisition (which was in June 2023). The acquisition resulted in the Group recognising goodwill of AED 25 million. It also recorded a net cash inflow on the acquisition of AED 2 million.

Basatin Holding SPV Ltd.

In May 2023, the Group agreed to acquire 75 per cent. of the shares of Basatin Holding SPV Ltd. (**Basatin**) for consideration of AED 139 million. Basatin was consolidated from the date of acquisition (which was in June 2023). The acquisition resulted in the Group acquiring AED 68 million net assets and recording goodwill of AED 71 million. It also recorded a net cash outflow on the acquisition of AED 105 million. From the date of acquisition, Basatin contributed revenue of AED 238 million and net profit of AED 37 million towards the operations of the Group. If the acquisition had taken place at the beginning of 2023, the Group's revenue would have been AED 105 million higher and its net profit would have been AED 9 million higher.

Eltizam Asset Management LLC

In July 2023, the Group entered into a shareholders' agreement and contribution agreement to consolidate and merge the facilities management and the property management platforms of the Group, IHC Real Estate Holding LLC (**IHC**) and Abu Dhabi National Exhibitions Company PJSC (**ADNEC**) into Aldar Estates Holding Limited (**Aldar Estates**), a subsidiary of the Issuer. As part of the

transaction, Eltizam Asset Management LLC (**Eltizam**), a property and facilities management services company previously jointly owned by IHC and ADNEC, was acquired by Aldar Estates in exchange for shares issued by Aldar Estates. As a result, Aldar Estates is now a 65.1 per cent. owned subsidiary of the Issuer. The merger resulted in the Group acquiring AED 308 million net assets and recording goodwill of AED 705 million. It also recorded a net cash inflow on the merger of AED 73 million. From the date of the merger, Eltizam contributed revenue of AED 311 million and net loss of AED 5 million towards the operations of the Group. If the merger had taken place at the beginning of 2023, the Group's revenue would have been AED 345 million higher and its net profit would have been AED 25 million higher.

Virginia International Private School LLC

In August 2023, the Group acquired 100 per cent. of the shares of Virginia International Private School – Sole Proprietorship LLC (**Virginia**) for consideration of AED 211 million. Virginia was consolidated from the date of acquisition. The acquisition resulted in the Group acquiring AED 162 million net assets and recording goodwill of AED 49 million. It also recorded a net cash outflow on the acquisition of AED 185 million. From the date of acquisition, Virginia contributed revenue of AED 19 million and net profit of AED 7 million towards the operations of the Group. If the acquisition had taken place at the beginning of 2023, the Group's revenue would have been AED 27 million higher and its net profit would have been AED 8 million higher.

Kent College and Nursery

In September 2023, the Group acquired Kent College LLC - FZ and Kent Nursery LLC - FZ (together **Kent**) for total consideration of AED 120 million. Kent was consolidated from the date of acquisition. The acquisition resulted in the Group acquiring AED 31 million net assets and recording goodwill of AED 89 million. It also recorded a net cash outflow on the acquisition of AED 114 million. From the date of acquisition, Kent contributed revenue of AED 28 million and net loss of AED 1 million towards the operations of the Group. If the acquisition had taken place at the beginning of 2023, the Group's revenue would have been AED 46 million higher and its net profit would have been AED 2 million higher.

LSQ

In November 2023, the Group agreed to acquire 100 per cent. of the shares in LSQ for total consideration of AED 557 million. LSQ was consolidated from the date of acquisition, which was December 2023. The acquisition resulted in the Group acquiring AED 493 million net assets and recording goodwill of AED 4 million. It also recorded a net cash outflow on the acquisition of AED 225 million. From the date of acquisition, LSQ contributed AED 81 million revenue and a net loss of AED 12 million towards the operations of the Group. If the acquisition had taken place at the beginning of 2023, the Group's revenue would have been AED 916 million higher and its net profit would have been AED 527 million higher.

FAB Properties LLC

In December 2023, the Group acquired 100 per cent. of the shares of FAB Properties - Sole Proprietorship LLC (**FAB Properties**) for consideration of AED 335 million. FAB Properties was consolidated from the date of acquisition. The acquisition resulted in the Group acquiring AED 219 million net assets and recording goodwill of AED 116 million. It also recorded a net cash outflow on the acquisition of AED 147 million. From the date of acquisition, FAB Properties contributed revenue of AED 5 million and net profit of AED 3 million towards the operations of the Group. If the acquisition had taken place at the beginning of 2023, the Group's revenue would have been AED 68 million higher and its net profit would have been AED 35 million higher.

Business combinations in 2022

Twafq Projects Development Property LLC

In April 2022, Aldar Logistics Holding Limited acquired 70 per cent. of the shares in Twafq Projects Development Property LLC (**Twafq**) for consideration of AED 331 million. Twafq was consolidated from the date of acquisition. The acquisition resulted in the Group acquiring AED 340 million net assets and recording a bargain purchase gain of AED 9 million. It also recorded a net cash outflow on the acquisition of AED 301 million. From the date of acquisition, Twafq contributed revenue of AED 48 million and net profit of AED 52 million towards the operations of the Group. If the acquisition had taken place at the beginning of 2022, the Group's revenue would have been AED 15 million higher and its net profit would have been AED 5 million higher.

Al Shohub Private School LLC

In June 2022, the Group acquired Al Shohub Private School LLC (**Al Shohub**) for consideration of AED 72 million. Al Shohub was consolidated from the date of acquisition. The acquisition resulted in the Group acquiring AED 63 million net assets and recording goodwill of AED 9 million. It also recorded a net cash outflow on the acquisition of AED 64 million. From the date of acquisition, Al Shohub contributed revenue of AED 14 million and net loss of AED 1 million towards the operations of the Group. If the acquisition had taken place at the beginning of 2022, the Group's revenue would have been AED 9 million higher and its net profit would have been AED 4 million higher.

Mace Macro Technical Services LLC

In August 2022, the Group acquired 100 per cent. of the shares of Mace Macro Technical Services LLC (**Mace**) for consideration of AED 4 million. Mace was consolidated from the date of the acquisition, which resulted in a bargain purchase gain of AED 1 million and cash acquired on acquisition of AED 1 million.

Pactive Sustainable Solutions LLC

In August 2022, the Group acquired 100 per cent. of the shares of Pactive Sustainable Solutions LLC (**Pactive**) for consideration of AED 10 million. Pactive was consolidated from the date of acquisition, which resulted in the recognition of goodwill amounting to AED 2 million.

Spark Security Services

In September 2022, the Group acquired 100 per cent. of the shares of Spark Securities Services-Sole Proprietorship LLC, Abu Dhabi and Spark Securities Services-LLC, Dubai (together **Spark**) for consideration of AED 120 million. Spark was consolidated from the date of acquisition. The acquisition resulted in the Group acquiring AED 82 million net assets and recording goodwill of AED 38 million. It also recorded a net cash outflow on the acquisition of AED 90 million. From the date of acquisition, Spark contributed revenue of AED 96 million and net profit of AED 6 million towards the operations of the Group. If the acquisition had taken place at the beginning of 2022, the Group's revenue would have been AED 173 million higher and its net profit would have been AED 5 million higher.

SAGA OAs

In October 2022, the Group acquired 100 per cent. of the shares of SAGA International Owners Association Management Services LLC and SAGA OA DMCC (together **SAGA OAs**) for consideration of AED 37 million. The SAGA OAs were consolidated from the date of acquisition, which resulted in the recognition of goodwill amounting to AED 5 million.

Business combinations in 2021

Asteco Property Management Limited

In January 2021, the Group acquired 100 per cent. of Asteco Property Management LLC (**Asteco**) which was consolidated from the date of the acquisition. The acquisition resulted in the Group acquiring AED 49 million net assets and recording goodwill of AED 18 million. It also recorded a net cash outflow on the acquisition of AED 55 million. Asteco contributed revenue of AED 53 million and net profit of AED 10 million to the operations of the Group in 2021.

Aldar Projects

In February 2021, the Group acquired 100 per cent. of a company (now known as Aldar Projects) from Modon Properties PJSC for a total consideration of AED 8 million. Aldar Projects was consolidated from the date of acquisition. The acquisition resulted in the Group acquiring AED 107 million net assets and recording a bargain purchase gain of AED 99 million. It also recorded a net cash outflow on the acquisition of AED 14 million. From the date of acquisition, Aldar Projects contributed revenue of AED 322 million and net profit of AED 223 million towards the operations of the Group. If the acquisition had taken place at the beginning of 2021, the Group's revenue would have been AED 7 million higher and its net profit would have been AED 3 million higher.

SODIC

In December 2021, a consortium of the Issuer and Abu Dhabi Development Holding Company PJSC (**ADQ**) acquired approximately 85.52 per cent. of the outstanding share capital of SODIC. The Issuer's effective shareholding in SODIC is 59.86 per cent. Based on the terms of the consortium agreement, the Issuer determined that it controlled SODIC, which was consolidated with effect from 31 December 2021. The acquisition resulted in the Group acquiring an AED 911 million share of the net assets of SODIC acquired and recording goodwill of AED 85 million. It also recorded a net cash outflow on the acquisition of AED 641 million. If the acquisition had taken place at the beginning of 2021, the Group's revenue would have been AED 1,619 million higher and its net profit would have been AED 191 million higher.

Changes in economic and real estate market conditions

Based on preliminary FCSC data, the UAE's real GDP increased by 3.6 per cent. in 2023 compared to increases of 7.5 per cent. in 2022 and 4.4 per cent. in 2021. The IMF, in its October 2024 World Economic Outlook Database, expects the UAE's real GDP to increase by 4.0 per cent. in 2024.

In the Abu Dhabi residential property market, the Group has experienced strong growth in off-plan sales since 2021, supported by positive sentiment and a strong economic backdrop, which has driven local demand from end users and property investors and an increasing demand from foreign non-resident investors. The Group's residential investment portfolio has also performed well with sustained high occupancy levels since 2021.

In the Abu Dhabi commercial property market, occupancy rates improved in 2022 as commercial demand was supported by an expansionary economy, driving higher demand for quality assets. Demand for high quality office space in Abu Dhabi was stronger in 2023 and 2024 and rents increased, in part supported by limited supply.

In the Abu Dhabi retail property market, occupancy rates remained steady in 2022 and improved in 2023 and 2024 reflecting increased demand from retailers. Footfall improved over the three years. In Abu Dhabi, the delivery of Reem Mall was a constraint on improving occupancy levels, although supply in 2024 and 2025 is expected to be limited.

In the Abu Dhabi industrial and logistics property market, demand and rents increased in both 2022 and 2023, benefitting from both the Government's strategic focus and increased investments into the sector,

which in turn helped to drive heightened leasing activity, particularly for high-quality industrial facilities.

In the Abu Dhabi hospitality market, occupancy rates improved slightly in 2022 and strongly in 2023 supported by higher numbers of foreign guests as inward tourism improved in the post-pandemic period.

In the Abu Dhabi education market, growth in the UAE economy, an increasing expatriate population and rising demand for quality private education are all benefitting the education sector. However, new supply is failing to keep pace with high demand, resulting in rising utilisation rates and fees across the UAE's quality schools segment.

In Egypt and based on World Bank analysis, the real estate market has shown resilience in the face of inflationary pressures and economic uncertainties. The sector has witnessed strong demand, higher sales and increased investments in the past few years, accompanied by Egyptian government efforts to streamline processes and enhance the overall ecosystem for buyers and suppliers, whether foreign or local. According to the OECD Economic Outlook, the Egyptian real estate market grew at a compound annual growth rate of 48 per cent. between 2020 and 2022 and gross sales of listed developers continued to grow strongly in the first nine months of 2023. The Group believes that this performance can be attributed to several factors, including inflation, strong confidence in the real estate market as a reliable investment during times of economic instability, expectations of further depreciation of the Egyptian pound, limited availability of foreign currency and a significant increase in gold prices in Egypt, which have positioned real estate as a safe haven for Egyptian capital.

In the United Kingdom, while real estate markets have softened, particularly the commercial office and inner-city retail sectors, the residential market has remained resilient, specifically the central London market, where long-term undersupply issues have helped insulate the sector. With annual deliveries continually falling short of the UK government's 52,245 per year target rate (according to the Greater London Authority), the Group believes that the long-term fundamentals appear intact and that this is reflected by the strength of the leasing market which has continued to see rental values grow, reflecting tight levels of supply and sustained occupier demand.

Changes in the fair value of the Group's investment properties

The Group's investment properties are measured initially at cost including transaction costs. After initial recognition, the Group's investment properties are measured at fair value on each reporting date. The determination of the fair value of each investment property requires significant judgment and is based on several key estimates.

For each annual reporting date, the fair value of the Group's investment properties is determined by independent real estate valuation experts mainly using the income capitalisation method. In addition, at each 30 June, the fair value of the Group's major investment properties is similarly determined. Under the income capitalisation approach, the income receivable under existing lease agreements and projected future rental streams are capitalised at appropriate rates to reflect the investment market conditions at the valuation dates.

Gains or losses arising from changes in the fair value of the investment property concerned are recorded as gains or losses in the fair value of investment properties in the consolidated statement of profit or loss statement for the period concerned. Once a determination of the fair value of an investment property has been made, changes in the fair value may occur for numerous reasons, including changes in market conditions (including market rental rates and demand for similar properties) and changes in the methodology used by management to determine fair value. As at 30 September 2024, the Group had investment properties carried at AED 27,898 million on its balance sheet.

The determination of the fair value of investment property is based on certain assumptions made by management, which are subject to uncertainty and might differ materially from other valuations and the realisable value of such property.

In the nine months ended 30 September 2024 and in each of 2023, 2022 and 2021, the Group recognised gains on the revaluation of investment properties. These gains have had a significant impact on the Group's reported profit for each period. It is possible that the Group could record significant revaluation losses or gains in future periods due to the development of property rental rates and prices in its different markets, over which it has no control. As has been the case in the past, in periods when market conditions are particularly challenging leading to pressure on rental pricing and non-renewal of leases of the Group's investment properties, this could result in revaluation losses in relation to those properties leading to lower Group profitability. Changes in the fair value of the Group's investment properties do not represent cash inflows or outflows.

The changes in fair value recorded by the Group in the nine months ended 30 September 2024 and in each of 2023, 2022 and 2021 principally reflected the outcome of the independent valuations undertaken, resulting in:

- a fair value gain recorded in the nine months ended 30 September 2024 which was primarily driven by (i) higher footfall following the redevelopment of Yas Mall which optimised occupancy levels and added new and popular brands; and (ii) improved occupancy levels and growth in rentals of Grade A office space;
- a fair value gain recorded in 2023 which was primarily driven by (i) higher footfall following the redevelopment of Yas Mall which optimised occupancy levels and added new and popular brands; and (ii) improved occupancy levels and growth in rentals driven by higher demand for Grade A office space;
- a fair value gain recorded in 2022 which was primarily driven by: (i) higher footfall following the redevelopment of Yas Mall which optimised occupancy levels and added new and popular brands; and (ii) improved occupancy levels and performance of new assets acquired during the year; and
- a fair value gain recorded in 2021 which was primarily driven by a post-COVID-19 recovery complemented by the phased delivery of the Yas Mall redevelopment project.

The Group's cash expenditure on, and cash income from, its projects does not match in terms of timing or amount

On a cash basis, the timing and amounts of cash received by the Group from property sales will vary depending on the terms of the contract concerned but will typically comprise an initial deposit and one or more instalment payments with a final and generally proportionately more significant payment at delivery. Construction costs, however, are generally paid by the Group throughout the development of a project and significant cash outflows may be experienced before a project generates any cash income. Therefore, in cash terms, there may be a significant mismatch in timing of cash flows, as cash costs for a project typically must be paid before cash is generated from a project.

Similar principles apply to the fee-based development projects undertaken by the Group on behalf of the Government where the timing of cash received and spent does not match exactly and, typically, cash is spent in advance of the related payment being received.

As a result, the Group aims to maintain sufficient liquidity to ensure that its anticipated operational obligations over the next 12 months can be met on a timely basis. This results in the Group holding significant cash and bank balances (which includes cash, cash equivalents and short-term investments) and seeking to ensure that significant unused facilities are available to it. As at 30 September 2024, the Group had cash and bank balances of AED 13,292 million and unused credit facilities of AED 8,424 million.

PRESENTATION OF CERTAIN INCOME STATEMENT INFORMATION

Revenue and rental income

Although the Group discloses a breakdown of its revenue and rental income by line item in its Annual Financial Statements, it does not disclose the same breakdown in its Interim Financial Statements. The breakdown of revenue and rental income by line item in the Annual Financial Statements is shown after eliminations. In addition, the Group provides a breakdown of revenue and rental income by business and by operating segment within each business in both the Interim Financial Statements and the Annual Financial Statements which distinguishes revenue and rental income from external customers and inter-segment revenue and rental income. Accordingly, the analysis of revenue and rental income in these Listing Particulars is based on operating segment revenue and rental income from external customers (referred to as **revenue** in the analysis below).

Direct costs

Although the Group discloses a breakdown of its direct costs by line item in its Annual Financial Statements, it does not disclose the same breakdown in its Interim Financial Statements. In addition, the Group provides a breakdown of direct costs by business and by operating segment within each business in both the Interim Financial Statements and the Annual Financial Statements which distinguishes cost of revenue excluding service charge and service charge. Accordingly, the analysis of direct costs in these Listing Particulars is based on cost of revenue excluding service charge and service.

Operating segments

Within the Aldar Development business, the Group had three operating segments in the Financial Statements. In the 2022 Financial Statements, following the acquisition and consolidation of SODIC from 31 December 2021, the Group created an Egypt subsidiaries operating segment, which it subsequently renamed the International operating segment in the 2023 Financial Statements following the acquisition of LSQ.

Within the Aldar Investments business, the Group had five operating segments in the Interim Financial Statements and the 2023 Financial Statements and four operating segments in the 2022 Financial Statements. In the 2022 Financial Statements, the operating segments were Investment properties, Hospitality and leisure, Education and Principal investments (which included the Group's property management and facilities activities as well as its principal investments and other activities). In the 2023 Financial Statements and reflecting significant acquisitions made of property management and facilities businesses, the Group split out these activities into a new Estates operating segment with the Principal investments operating segment comprising its alternative real estate investments and investments in private credit, construction and cloud space businesses, as well as its other activities.

Analysis of revenue by operating segment

Aldar Development

The Group's Aldar Development business has three operating segments:

- ***Property development and sales***, which generates revenue from sales of residential units in the projects which it develops in the UAE which amounted to AED 8,626 million in the nine months ended 30 September 2024, AED 4,182 million in the nine months ended 30 September 2023, AED 5,569 million in 2023, AED 4,414 million in 2022 and AED 3,644 million in 2021 and which is described further below under "*Property development and sales activities*" below.
- ***Project management services***, which generates revenue from the project management services which it provides to the Government. This revenue amounted to AED 1,404 million in the nine months ended 30 September 2024, AED 921 million in the nine months ended 30 September

2023, AED 1,208 million in 2023, AED 1,134 million in 2022 and AED 1,389 million in 2021. The revenue stream is fixed fee-based and mainly recognised over time under IFRS 15 as performance obligations are satisfied. As a result, it is primarily driven by the number of projects undertaken and the progress made on those projects.

- **International**, which (which was reported as an Egypt subsidiaries operating segment in the 2022 Financial Statements) mainly generates revenue from sales of real estate properties in the projects which it develops in Egypt (since 2022) and the UK (since 2023). This revenue amounted to AED 1,086 million in the nine months ended 30 September 2024, AED 566 million in the nine months ended 30 September 2023, AED 1,263 million in 2023 and AED 1,414 million in 2022. This revenue is also discussed further under "—Property development and sales activities" below.

Property development and sales activities

The Group's revenue in both the Property development and sales operating segment and the International operating segment is recognised in accordance with IFRS 15 when the Group satisfies its performance obligations. Under the terms of its residential unit sales contracts in the UAE and the United Kingdom, the Group is contractually restricted from redirecting the properties to another customer and has an enforceable right to payment for work done. Therefore, revenue from the construction of residential units in these countries is recognised over time on a cost-to-cost method, based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. In respect of the Group's contracts for development of residential properties in Egypt, the Group has assessed that the criteria for recording revenue over time is not met and transfer of control happens only at the time of handover of completed units to the customers and accordingly the revenue is recognised at the point in time at which the performance obligation is satisfied.

The Group's revenue stream in both the Property development and sales operating segment and the International operating segment is accordingly principally impacted by sales volumes, deliveries of sold units and the prices charged for each unit (which are impacted by the type and configuration of residential living arrangements, for example one-bedroom apartment or penthouse, the type of development in which they are located (for example, mid-end or luxury), the location of the project and its amenities and the time when the unit is purchased, reflecting the fact that sales prices typically increase over the course of the project development process and can be negatively affected by adverse economic and market conditions as well as competition). In the UAE and the United Kingdom, progress on the construction of the Group's sold units from period to period drives the Group's revenue from its property development and sales activities with increasing numbers of units under construction in a period typically resulting in higher revenue in that period. In Egypt where revenue from property development and sales activities is only recognised when completed sold units are delivered, period-to-period revenue may be more volatile. The International operating segment also generates small amounts of revenue from leasing completed properties retained as investment properties.

The table below shows, by operating segment, the Group's units completed and sold, the total sales value of those units, the total sales value collected, and the revenue recognised in the nine-month periods ended 30 September in each of 2024 and 2023 and in each of 2023, 2022 and 2021.

	Nine months ended 30 September		Year ended 31 December		
	2024	2023	2023	2022	2021
Property development and sales					
No. of units sold	5,783	5,009	8,975	6,123	2,509
Total sales value (AED million).....	20,167	17,045	27,931	14,414	7,247
Total sales value collected (AED million)	6,349	3,653	7,437	8,004	4,493
Revenue recognised (AED million)	8,626	4,182	5,569	4,414	3,644
International					
No. of units sold	947	1,396	1,984	—	—
Total sales value (AED million).....	3,733	2,355	3,650	—	—
Total sales value collected (AED million)	851	817	1,274	—	—

Revenue recognised (AED million)	1,086	566	1,263	1,414	—
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The Group's revenue backlog (determined as the sales value of units that have been sold by both the Property development and sales operating segment and the International operating segment but not yet recognised as revenue under IFRS) amounted to AED 48.6 billion as at 30 September 2024, AED 36.8 billion as at 31 December 2023 compared to AED 17.6 billion as at 31 December 2022 and AED 6.0 billion as at 31 December 2021. This revenue backlog, together with the construction schedules for its projects, provide the Group with visibility over its revenue from its Property development and sales operating segment and International operating segment in the short- and medium-term. However, the conversion of the Group's revenue backlog to revenue and then to cash is ultimately dependent upon the timely and successful completion of the construction of its projects. Although the Group has handed over units to customers on or ahead of schedule for the majority of its projects, the Group may experience construction delays in the ordinary course of business and, while such delays may be made up in subsequent stages of a project, delays can have a significant impact on the associated timing of revenue recognition, which could lead to potentially significant fluctuations in the Group's financial results on a periodic basis (see further "*Risk Factors – Risks relating to the Group's Aldar Development business*").

Aldar Investments

The Group's Aldar Investments business has five operating segments:

- ***Investment properties***, which generates rental income from its portfolio of retail, residential, commercial and logistics investment properties in the UAE. This revenue amounted to AED 1,593 million in the nine months ended 30 September 2024, AED 1,551 million in the nine months ended 30 September 2023, AED 2,054 million in 2023, AED 1,839 million in 2022 and AED 1,669 million in 2021 and which is described further below under "*—Rental income on investment properties*" below.
- ***Hospitality and leisure***, which generates revenue from its portfolio of hotels and leisure facilities. This revenue amounted to AED 745 million in the nine months ended 30 September 2024, AED 744 million in the nine months ended 30 September 2023, AED 1,116 million in 2023, AED 828 million in 2022 and AED 433 million in 2021. The Group's hospitality revenue from the Hospitality and leisure operating segment is principally driven by the number of guests staying at its hotels, the length of their stay and the other services they consume, as well as by the room rates and prices charged by the Group for other services, including food and beverage. The Group's leisure revenue from the Hospitality and leisure operating segment is driven by the number of customers using the facilities and the prices charged by the Group as well as by new hospitality and leisure properties developed or acquired. In the third quarter of 2022, the Group acquired three new hotels, two in Ras Al Khaimah and one on Nurai Island, Abu Dhabi.
- ***Education***, which generates fee and related income from the schools which it operates or manages. This revenue amounted to AED 639 million in the nine months ended 30 September 2024, AED 488 million in the nine months ended 30 September 2023, AED 687 million in 2023, AED 592 million in 2022 and AED 532 million in 2021.
- ***Estates***, which generates revenue from the property and facilities management activities of the Group's property and facilities management subsidiaries. This revenue amounted to AED 1,607 million in the nine months ended 30 September 2024, AED 919 million in the nine months ended 30 September 2023, AED 1,470 million in 2023 and AED 588 million in 2022 (based on the segment reporting in the 2023 Financial Statements). In the 2022 Financial Statements, revenue from property and facilities management activities was recorded in the Principal investments operating segment along with the Group's revenue from principal investments and other revenue and amounted to AED 952 million in 2022 and AED 909 million in 2021. The revenue recorded by the Estates operating segment is principally impacted by changes in the

number of clients and properties for which the services are provided (which have been impacted by acquisitions) as well as by changes in the amount of fees charged.

- **Others**, which (in the Interim Financial Statements and the 2023 Financial Statements) principally comprises the Group's principal investments activities along with other revenue and, in the 2022 Financial Statements, was referred to as Principal investments and comprised the Group's revenue from property and facilities management activities, principal investments and other revenue.

Rental income on investment properties

The rental income generated by the Investment properties operating segment is principally impacted by changes in the number of the segment's investment properties, which drive the number of its residential units and its total GLA, as well as by changes in the occupancy rates that it achieves.

In the nine-month period ended 30 September 2024, the segment acquired an additional office building (known as 6 Falak) in Dubai and sold its Motor World commercial assets, resulting in no overall change in the segment's total investment property GLA.

In 2023, the segment's total investment property GLA decreased by 1 per cent. The principally resulted from a decrease in retail GLA due to ongoing redevelopment of retail assets which was partially offset by an additional logistics warehouse facility acquired in Dubai.

The number of the segment's residential investment units increased on a net basis in 2023. This principally reflected the acquisition of a staff accommodation located in Ras Al Khaimah and was partially offset by the sale of residential units as part of the segment's strata monetisation programme (which is a programme to sell residential units to recycle capital, achieve portfolio optimisation and diversification and divest from residential buildings in which the Group does not own all the units).

In 2022, the segment's total investment property GLA increased by 20 per cent. This principally reflected acquisitions of new retail, commercial and logistics properties in 2022 and increased retail space through additional space added at Yas Mall and Remal Mall.

The number of the segment's residential investment units declined in 2022 reflecting the sale of residential units as part of its strata monetisation programme.

In 2021, the segment's residential units increased by 31 per cent. (net of units sold). This principally reflected acquisitions of new residential properties.

The segment's investment properties are leased under contracts with terms ranging from one year to 20 years. This gives the Group a significant degree of visibility on future revenue from committed lease payments. The table below shows the amounts and timing of the Group's committed future lease inflows as at 30 September 2024 and as at 31 December in each of 2023, 2022 and 2021.

	As at 30 September	As at 31 December		
	2024	2023	2022	2021
	<i>(AED thousand)</i>			
Within one year	1,568,963	1,429,281	1,353,378	992,440
In the second to fifth year.....	4,236,636	3,705,289	3,399,640	2,421,609
After five years.....	2,253,961	2,146,437	2,035,476	1,692,257
Total	8,059,560	7,281,007	6,788,494	5,106,306

RECENT DEVELOPMENTS

Announcement of Grade A office tower in Dubai

In July 2024, Aldar announced plans to develop a Grade A office tower beside the Dubai International Financial Centre on Sheikh Zayed Road in Dubai, with a net leasable area of 88,000 m², which will also include a luxury boutique hotel and branded residences.

Acquisition of new properties in London

In the first nine months of 2024, LSQ acquired 10 new development sites in London, comprising seven build to sell developments (which are expected to comprise approximately 2,030 units), one build to sell development which is expected to comprise five residential buildings and two build to rent developments (which are expected to comprise approximately 670 units) with a gross development value (being the amount for which the developed units are expected to be sold) of £1.7 billion in aggregate. The developments on these sites are expected to be completed within the next four to seven years.

Agreement with Mubadala

On 18 September 2024, Aldar and Mubadala announced an agreement to establish four joint ventures, each of which will be majority owned by Aldar, to own and manage assets valued at more than AED 30 billion across Abu Dhabi. The joint ventures comprise:

- A joint venture to create a retail platform that will own Aldar's Yas Mall on Yas Island and Mubadala's The Galleria Luxury Collection, a luxury retail experience at Abu Dhabi Global Market on Al Maryah Island. The new platform is expected to provide substantial synergies for the underlying assets through a coordinated retail strategy that will leverage its scale to attract new luxury brands to Abu Dhabi and provide customers with world class retail experiences. The transaction is expected to provide diversification benefits for both parties and significant revenue upside from active asset management provided by Aldar. The Galleria Luxury Collection is also located within the financial district, providing additional synergies for Aldar which acquired four adjacent ADGM towers in 2022.
- A joint venture to own 17 income-generating real estate assets at Masdar City, Abu Dhabi's sustainable urban community and free zone hub. The joint venture is expected to include commercial and residential properties valued at approximately AED 3 billion and totalling more than 400,000 square metres of net leasable area (NLA) with overall occupancy currently standing at more than 95 per cent. Fourteen assets are comprised within the Masdar City Green real estate investment trust, with all buildings LEED Gold or LEED Platinum certified, and the three other assets are within the masterplan. In addition, two assets under construction, with a further 50,000 square metres of NLA, are intended to be contributed to the joint venture once completed.
- A joint venture to masterplan and develop wellness-focused luxury waterfront communities through a joint venture for two undeveloped islands near Saadiyat Island and Yas Island, respectively. The combined gross development value of the projects is approximately AED 13 billion. The first island sits between Saadiyat Marina and Reem Island along 3 km of waterfront and will be acquired from Mubadala by the joint venture. The joint venture will also acquire a 3.7 million square metre island that sits between Yas Island and Al Raha from Mubadala which will be developed as a premium waterfront villa community.
- A joint venture to develop in phases a Grade A industrial logistics park in Al Falah with a gross floor area of 1.2 million square metres with a gross development value of approximately AED 5 billion. The development is strategically located within a 2 km radius of Zayed International Airport with easy access to major highways.

Hospitality portfolio transformation

On 25 September 2024, Aldar announced an AED 1.5 billion transformation programme in partnership with global luxury brands in relation to several hotels in its hospitality portfolio to capitalise on growth of the UAE's tourism sector and tap into the global luxury travel market. The programme includes Aldar's Eastern Mangroves hotel becoming a Waldorf Astoria branded luxury resort with premium rooms and suites, as well as promenade and marina enhancements, a new retail mix, and enhancements to the residences and its Yas Plaza Hotels complex of six hotels becoming the largest Vignette Collection resort in the world.

Joint venture with Expo City Dubai

In October 2024, Aldar announced a 50:50 joint venture with Expo City Dubai to develop a major mixed-use residential, office and retail project comprising six buildings with gross development value of more than AED 1.75 billion. The project is a core element of a new master plan unveiled by Expo City Dubai to elevate an area close to Al Maktoum International Airport and the Dubai Exhibition Centre as a prime business and lifestyle destination. The residential, office and retail spaces will have a combined gross floor area of 103,000 m² and Aldar will be responsible for the asset management of the development once completed.

Acquisition of commercial tower in DIFC

On 4 December 2024, Aldar announced the signing of an agreement to acquire a commercial tower in the DIFC from H&H Development for AED 2.3 billion. The tower is expected to be completed and handed over to Aldar in 2028 and to include commercial and retail space split across 40 floors. Payments by Aldar will be made based on milestones achieved.

MATERIAL ACCOUNTING POLICY INFORMATION

The Financial Statements have been prepared in accordance with IFRS. For a summary of the Group's material accounting policy information, see note 3 to the 2023 Financial Statements.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Group's accounting policies, management is required to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Management bases its estimates and assumptions on historical experience and other factors that it believes to be reasonable at the time the estimates and assumptions are made and continues to evaluate the estimates and assumptions on an ongoing basis. However, future events and their effects cannot be predicted with certainty and the determination of appropriate estimates and assumptions requires the use of judgment. Actual outcomes may differ from any estimates or assumptions made and such differences may be material to the financial statements. For a discussion of the most significant accounting judgments, estimates and assumptions made in the preparation of the Financial Statements, see note 4 to the 2023 Financial Statements, which identifies numerous critical judgments, estimates and assumptions.

RESULTS OF OPERATIONS

Nine months ended 30 September 2024 and 30 September 2023 compared

Revenue and rental income from external customers

Aldar Development business

The Aldar Development business reported revenue from external customers of AED 11,116 million in the nine months ended 30 September 2024 compared to AED 5,668 million in the corresponding period of 2023. The increase of AED 5,447 million, or 96.1 per cent., principally reflected:

- an increase of AED 4,444 million, or 106.3 per cent., in the revenue from external customers reported by the Property development and sales segment. This segment principally develops and sell properties in Abu Dhabi, Dubai and Ras Al Khaimah for the Group's own account and the increase principally reflected increased revenue recognition on the Group's UAE projects under construction in the nine months ended 30 September 2024 compared to the corresponding period in 2023 which was driven by new project launches in previous years; and
- revenue and rental income from external customers reported by the International segment increased by AED 520 million, or 92.0 per cent., principally reflecting the full period effect in the nine months ended 30 September 2024 of the LSQ acquisition at the end of 2023. The International segment represents the property development and sales activities of SODIC in Egypt and LSQ in the UK.

Aldar Investment business

The Aldar Investment business reported revenue and rental income from external customers of AED 5,395 million in the nine months ended 30 September 2024 compared to AED 4,095 million in the corresponding period of 2023. The increase of AED 1,300 million, or 31.7 per cent., principally reflected:

- an increase of AED 688 million, or 74.9 per cent., in the revenue from external customers reported by the Estates segment, which was mainly due to the full period impact of acquisitions, principally Eltizam in July 2023 and Basatin in June 2023;
- an increase of AED 418 million, or 106.2 per cent., in the revenue and rental income from external customers reported by the Others segment, which was mainly due to an increase in the number of projects and progress; and
- an increase of AED 151 million, or 30.9 per cent., in the revenue from external customers reported by the Education segment, which was mainly due to increases in the number of schools and students.

Direct costs

In its segmental reporting, the Group's direct costs comprise its cost of revenue excluding service charge and the service charge expenses its records in the Investment properties segment only, which reflects the fact that service charge is included in that segment's revenue and rental income from external customers.

Aldar Development business

The Aldar Development business reported cost of revenue excluding service charge of AED 7,848 million in the nine months ended 30 September 2024 compared to AED 3,582 million in the corresponding period of 2023. The increase of AED 4,266 million, or 119.1 per cent., principally reflected an increase of AED 3,311 million, or 125.6 per cent., in the cost of revenue excluding service charge reported by the Property development and sales segment. This increase principally reflected the

proportionately greater construction progress made in the nine months ended 30 September 2024 compared to the corresponding period in 2023, driven by more projects under construction. In addition, cost of revenue excluding service charge reported by the International segment increased by AED 537 million, or 133.9 per cent., principally reflecting the full period effect in the nine months ended 30 September 2024 of the LSQ acquisition at the end of 2023.

Aldar Investments business

The Aldar Investments business reported cost of revenue excluding service charge of AED 3,383 million in the nine months ended 30 September 2024 compared to AED 2,332 million in the corresponding period of 2023. The increase of AED 1,051 million, or 45.0 per cent., principally reflected:

- an increase of AED 505 million, or 57.6 per cent., in the cost of revenue excluding service charge reported by the Estates segment, which was mainly due to the full period impact of the acquisitions made in 2023; and
- an increase of AED 482 million, or 126.8 per cent., in the cost of revenue excluding service charge reported by the Others segment, which mainly reflected the increase in revenue from the segment.

Gross profit

Reflecting the above factors, the Group's gross profit was AED 5,676 million in the nine months ended 30 September 2024 compared to AED 3,994 million in the corresponding period of 2023, an increase of AED 1,682 million, or 42.1 per cent.

The Group's gross profit margin was 34.4 per cent. in the nine months ended 30 September 2024 compared to 40.9 per cent. in the corresponding period of 2023.

On an operating segment basis, the gross profit margins for:

- the Property development and sales segment were 33.1 per cent. in the nine months ended 30 September 2024 and 39.2 per cent. in the corresponding period of 2023;
- the Project management services segment were 31.4 per cent. in the nine months ended 30 September 2024 and 40.8 per cent. in the corresponding period of 2023;
- the International segment were 13.7 per cent. in the nine months ended 30 September 2024 and 29.1 per cent. in the corresponding period of 2023, with the lower margin in the 2024 period principally reflecting the acquisition of LSQ;
- the Investment properties segment were 78.4 per cent. in the nine months ended 30 September 2024 and 77.1 per cent. in the corresponding period of 2023;
- the Hospitality and leisure segment were 31.0 per cent. in the nine months ended 30 September 2024 and 29.7 per cent. in the corresponding period of 2023;
- the Education segment were 43.8 per cent. in the nine months ended 30 September 2024 and 43.0 per cent. in the corresponding period of 2023;
- the Estates segment were 23.3 per cent. in the nine months ended 30 September 2024 and 21.1 per cent. in the corresponding period of 2023; and
- the Others segment were 1.8 per cent. in the nine months ended 30 September 2024 compared to 3.3 per cent. in the corresponding period of 2023.

Selling and marketing expenses

The Group's selling and marketing expenses amounted to AED 85 million in the nine months ended 30 September 2024 compared to AED 82 million in the corresponding period of 2023. The Group's selling and marketing expenses relate to the marketing of units for sale in its projects under development, corporate advertising and events and exhibitions and sponsorships.

General and administrative expenses

The Group's general and administrative expenses amounted to AED 1,276 million in the nine months ended 30 September 2024 compared to AED 1,211 million in the corresponding period of 2023, an increase of AED 65 million, or 5.4 per cent.

The table below shows the breakdown of the Group's general and administrative expenses in the nine-month periods ended 30 September in each of 2024 and 2023.

	Nine months ended 30 September	
	2024	2023
	<i>(AED thousand)</i>	
Staff costs	509,755	423,064
Depreciation and amortisation	418,280	318,127
Provisions, impairments and write downs, net	26,542	168,808
Professional fees	84,093	79,862
General office expenses	48,403	51,608
IT maintenance	48,253	47,703
Board of Directors' remuneration	33,548	26,088
Business travel	7,631	5,777
Others	99,487	90,173
Total general and administrative expenses	1,275,992	1,211,210

In the nine months ended 30 September 2024, the Group's general and administrative expenses increased by AED 65 million, or 5.4 per cent, compared to the corresponding period in 2023. The principal factors driving this increase were increases of (i) AED 100 million, or 31.4 per cent., in depreciation and amortisation and (ii) AED 87 million, or 20.6 per cent., in staff costs. These increases were partly offset, mainly by a decrease of AED 142 million, or 84.0 per cent., in provisions, impairments and write downs, net.

The AED 100 million increase in depreciation and amortisation and the AED 87 million increase in staff costs both principally reflected the impact of acquisitions made. The AED 142 million decrease in provisions, impairments and write downs, net in the nine months ended 30 September 2024 compared to the corresponding period in 2023 principally reflected the fact that the 2023 period included write offs for specific projects that were not repeated in the 2024 period.

Gain on revaluation of investment properties, net

The Group recorded net gains on the revaluation of its investment properties amounting to AED 376 million in the nine months ended 30 September 2024 compared to AED 212 million in the corresponding period in 2023. The Group's investment properties comprise both completed properties and investment properties under development. These properties are measured initially at cost including transaction costs and, for properties under development, all direct costs attributable to the design and construction including related staff costs. After initial recognition, investment properties are measured at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise. Fair values are determined based on annual valuations performed by accredited external independent valuers applying valuation models recommended by the International Valuation Standards Committee. These models comprise the residual value method and the income capitalisation method.

The residual value method requires the use of estimates such as future cash flows from assets (including selling and leasing rates, future revenue streams, construction costs and associated professional fees and financing cost), targeted internal rate of return and developer's risk and targeted profit. These estimates are based on local market conditions existing at the end of the reporting period.

Under the income capitalisation method, the income receivable under existing lease agreements and projected future rental streams are capitalised at appropriate rates to reflect the investment market conditions at the valuation dates. The Group's undiscounted future cash flows analysis and the assessment of expected remaining holding period and income projections on the investment properties requires management to make significant estimates and judgements related to future rental yields and capitalisation rates, see note 4.2 to the 2023 Financial Statements.

In the nine months ended 30 September 2024, the valuation of the Group's investment properties showed a total fair value gain of AED 420 million on major investment properties offset by a fair value loss of AED 45 million on buildings held on leasehold land. In the nine months ended 30 September 2023, the valuation of the Group's investment properties showed a total fair value gain on major investment properties of AED 260 million offset by a fair value loss of AED 43 million on buildings held on leasehold land.

Gain on disposal of investment properties

In the nine months ended 30 September 2024, the Group exchanged a property for plots of land which resulted in a gain of AED 51 million. There was no similar transaction in the equivalent period in 2023. In addition, in the nine months ended 30 September 2024, the Group sold investment properties for AED 299 million realising a net gain of AED 24 million. In the corresponding period in 2023, the Group sold investment properties for AED 135 million realising a net gain of AED 19 million.

Income/(loss) from financial assets at FVTPL

In the nine months ended 30 September 2024, the Group recorded income from financial assets at FVTPL of AED 31 million compared to a loss of AED 1 million in the corresponding period of 2023. This reflects changes in the fair value of the Group's FVTPL financial assets, which comprise investments in unquoted international funds that are fair valued using level 3 hierarchy, in the relevant periods.

Finance income and costs

The Group's finance income principally represents interest and profit income on bank deposits and financing income earned on receivables. The Group's finance income amounted to AED 526 million in the nine months ended 30 September 2024 compared to AED 347 million in the corresponding period in 2023, an increase of AED 179 million, or 51.6 per cent. This increase principally reflected higher deposit rates in both the UAE and Egypt as well as higher cash balances in bank call and current accounts.

The Group records finance cost principally on its borrowings.

The table below shows the Group's finance costs in the nine-month periods ended 30 September in each of 2024 and 2023.

	Nine months ended 30 September	
	2024	2023
	<i>(AED thousand)</i>	
Finance cost on bank borrowings and non-convertible sukuk	659,402	410,870
Finance cost on operating lease liabilities	33,419	19,276
Others	18,826	4,738

	Nine months ended 30 September	
	2024	2023
	(AED thousand)	
	711,647	434,884
Cumulative gain arising on hedging instruments reclassified to profit or loss	(13,775)	(2,430)
Total finance cost.....	697,872	432,454

The Group's finance cost was AED 698 million in the nine months ended 30 September 2024 compared to AED 432 million in the corresponding period in 2023. The AED 266 million, or 61.6 per cent., increase principally reflected an increase of AED 248 million, or 60.3 per cent., in finance costs on bank borrowings and non-convertible sukuk which principally resulted from a net increase in the gross debt of the Group as well as higher rates on floating rate debt.

Other income

In the nine months ended 30 September 2024, the Group recorded other income of AED 156 million compared to AED 240 million in the corresponding period in 2023. The AED 84 million, or 35.0 per cent., decrease principally reflected an AED 65 million decrease in the reversal of accruals and provisions that management determined were no longer required, coupled with an AED 51 million reduction in other unspecified sources of other income in the 2024 period compared to the 2023 period and no proceeds from an insurance claim in the nine months ended 30 September 2024 compared to AED 17 million in insurance proceeds received in the nine months ended 30 September 2023. These factors were offset by AED 32 million in earn out consideration recognised in relation to cooling operations sold by the Group in 2020 (compared to no similar amounts recognised in the nine months ended 30 September 2023) and smaller increases in other specified items of other income across the two periods.

Income tax expense

The Group's income tax expense was AED 205 million in the nine months ended 30 September 2024 compared to AED 75 million in the corresponding period in 2023.

In the nine months ended 30 September 2023, the Group's income tax expense was principally attributable to its operations in Egypt. In the nine months ended 30 September 2024, the Group's income tax expense was principally attributable to its operations in the UAE, reflecting a new corporate tax which impacted the Group from 1 January 2024.

Profit for the period after tax

Reflecting the above factors, the Group's profit for the period after tax was AED 4,575 million in the nine months ended 30 September 2024 compared to AED 3,004 million in the corresponding period in 2023, an increase of AED 1,571 million, or 52.3 per cent.

Total comprehensive income for the period

The Group's other comprehensive income in the nine-month periods ended 30 September in each of 2024 and 2023 related to foreign exchange differences on translation of foreign operations, its hedging arrangements and its financial assets held at fair value through other comprehensive income.

In the nine months ended 30 September 2024, the Group recorded other comprehensive loss for the period of AED 466 million, which principally reflected an AED 457 million negative foreign exchange difference on translation of foreign operations which almost entirely reflected movements in the exchange rate between the dirham and the Egyptian pound.

In the nine months ended 30 September 2023, the Group recorded other comprehensive loss for the year AED 279 million, which principally reflected an AED 251 million negative foreign exchange difference on translation of foreign operations which reflected movements in the exchange rate between the dirham and the Egyptian pound.

Reflecting the above factors and the Group's profit for the period after tax, the Group's total comprehensive income for the period was AED 4,109 million in the nine months ended 30 September 2024 compared to AED 2,726 million in the corresponding period in 2023, an increase of AED 1,383 million, or 50.7 per cent.

2023, 2022 and 2021 compared

Revenue and rental income

Aldar Development

The Aldar Development business reported revenue and rental income from external customers of AED 8,040 million in 2023 compared to AED 6,962 million in 2022 and AED 5,033 million in 2021.

2023 and 2022 compared

The increase of AED 1,078 million, or 15.5 per cent., in the Aldar Development business' revenue and rental income from external customers for 2023 compared to 2022 principally reflected an increase of AED 1,115 million, or 20.7 per cent., in the revenue from external customers reported by the Property development and sales operating segment. The increase in 2023 principally reflected (i) increased revenue recognition on the Group's UAE projects under construction in 2023 compared to 2022, driven by more projects under construction supported by increased numbers of overseas and resident expatriate buyers who accounted for approximately two thirds of sales in 2023 and (ii) a greater number of completed property deliveries in Egypt in 2023 compared to 2022. This increase was partially offset by an AED 151 million, or 10.7 per cent., decrease in the revenue and rental income from external customers reported by the International operating segment, which principally reflected negative changes in the exchange rate between the Egyptian pound and the dirham.

2022 and 2021 compared

The increase of AED 1,929 million, or 38.3 per cent., in the Aldar Development business' revenue and rental income from external customers for 2022 compared to 2021 principally reflected:

- an AED 1,414 million contribution from the International operating segment in 2022 compared to no such contribution in 2021, which reflected the acquisition of SODIC at the end of 2021 and its consolidation with effect from 31 December 2021; and
- an increase of AED 770 million, or 21.1 per cent., in the revenue from external customers reported by the Property development and sales segment, which was mainly due to increased revenue recognition on projects under construction which was driven by nine new project launches across Abu Dhabi.

These increases were partly offset by a decrease of AED 255 million, or 18.4 per cent., in the revenue from external customers reported by the Project management services segment. This decrease was mainly due to the completion of fixed price contracts in 2021.

Aldar Investments

The Aldar Investments business reported revenue and rental income from external customers of AED 6,121 million in 2023 compared to AED 4,238 million in 2022 and AED 3,543 million in 2021.

2023 and 2022 compared

The increase of AED 1,883 million, or 44.4 per cent., in the Aldar Investments business' revenue and rental income from external customers for 2023 compared to 2022 principally reflected:

- an increase of AED 882 million, or 149.9 per cent., in the revenue from external customers reported by the Estates segment, which was mainly due to the consolidation of Basatin in May 2023 and Eltizam in July 2023 and the full year effect in 2023 of the consolidation of Spark in September 2022;
- an increase of AED 404 million, or 103.5 per cent., in the revenue and rental income from external customers reported by the Others segment, which was mainly due to an increase in projects and progress;
- an increase of AED 288 million, or 34.8 per cent., in the revenue from external customers reported by the Hospitality and leisure segment. The increase was mainly due to the full year effect of the acquisition of two hotels in Ras Al Khaimah and one in Abu Dhabi in the third quarter of 2022 as well as higher average daily rates (**ADR**) and increased occupancy across the portfolio; and
- an increase of AED 215 million, or 11.7 per cent., in the rental income from external customers reported by the Investment properties segment. The increase was mainly due to the full year impact in 2023 of acquisitions of new commercial and logistics investment properties in 2022 and improved occupancy levels at certain of the Group's commercial investment properties.

2022 and 2021 compared

The increase of AED 695 million, or 19.6 per cent., in the Aldar Investment business' revenue and rental income from external customers for 2022 compared to 2021 principally reflected:

- an increase of AED 395 million, or 91.1 per cent., increase in the revenue from external customers reported by the Hospitality and leisure segment in 2022 compared to 2021, which was mainly due to the acquisition of new hotels and increased occupancy and rates; and
- an increase of AED 170 million, or 10.2 per cent., in the rental income from external customers reported by the Investment properties segment, which was mainly due to the acquisition of new commercial, retail and logistics investments properties and improved occupancy levels at the Group's commercial, retail and residential investment properties.

Direct costs

In its segmental reporting, the Group's direct costs comprise (i) its cost of revenue excluding service charge and (ii) in the case of the Investment properties operating segment only, the service charge expenses its records, which match the service charge revenue that it records in its revenue and rental income from external customers in the Investment properties operating segment.

Aldar Development business

The Aldar Development business reported cost of revenue excluding service charge of AED 5,228 million in 2023 compared to AED 4,584 million in 2022 and AED 3,213 million in 2021.

2023 and 2022 compared

The increase of AED 644 million, or 14.0 per cent., in the Aldar Development business' cost of revenue excluding service charge for 2023 compared to 2022 principally reflected an increase of AED 541 million, or 17.6 per cent., in the cost of revenue excluding service charge reported by the Property development and sales segment. This increase principally reflected the proportionately greater construction progress made in 2023 compared to 2022, driven by more projects under construction.

2022 and 2021 compared

The increase of AED 1,371 million, or 42.7 per cent., in the Aldar Development business' cost of revenue excluding service charge for 2022 compared to 2021 principally reflected:

- AED 893 million cost of revenue excluding service charge from the International subsidiaries segment in 2022 compared to no such cost of revenue excluding service charge in 2021; and
- an increase of AED 807 million, or 35.6 per cent., in the cost of revenue excluding service charge reported by the Property development and sales segment, which was mainly due to increased cost recognition on the Group's UAE projects under construction in 2022 compared to 2021.

These increases were partly offset by a decrease of AED 329 million, or 34.7 per cent., in the cost of revenue excluding service charge reported by the Project management services segment. This decrease was mainly due to the completion of fixed price contracts in 2021.

Aldar Investments business

The Aldar Investments business reported cost of revenue excluding service charge of AED 3,603 million in 2023 compared to AED 2,106 million in 2022 and AED 1,782 million in 2021.

2023 and 2022 compared

The increase of AED 1,497 million, or 71.1 per cent., in the Aldar Investments business' cost of revenue excluding service charge for 2023 compared to 2022 principally reflected:

- an increase of AED 807 million, or 143.2 per cent., in the cost of revenue excluding service charge reported by the Estates segment, which was mainly due to the consolidation impact of the acquisitions made in 2022 and 2023;
- an increase of AED 414 million, or 125.8 per cent., in the cost of revenue excluding service charge reported by the Others segment, which mainly reflected the increase in revenue as described above; and
- an increase of AED 137 million, or 23.0 per cent., in the cost of revenue excluding service charge reported by the Hospitality and leisure segment, which was mainly due to the full year effect of the acquisition of three hotels in the third quarter of 2022.

2022 and 2021 compared

The increase of AED 324 million, or 18.2 per cent., in the Aldar Investments business' cost of revenue excluding service charge for 2022 compared to 2021 principally reflected an AED 245 million, 70.1 per cent., increase in cost of revenue excluding service charge from the Hospitality and leisure segment, which was mainly due to the acquisition of three hotels in the third quarter of 2022.

Gross profit

Reflecting the above factors, the Group's gross profit was AED 5,573 million in 2023 compared to AED 4,512 million in 2022 and AED 3,600 million in 2021, an increase of AED 1,062 million, or 23.5 per cent., in 2023 compared to 2022 and an increase of AED 912 million, or 25.3 per cent., in 2022 compared to 2021.

The Group's gross profit margin was 39.4 per cent. in 2023 compared to 40.3 per cent. in 2022 and 42.0 per cent. in 2021.

On an operating segment basis, the gross profit margins for:

- the Property development and sales segment were 37.6 per cent. in 2023, 30.4 per cent. in 2022 and 37.9 per cent. in 2021;
- the Project management services segment were 42.4 per cent. in 2023, 45.4 per cent. in 2022 and 31.7 per cent. in 2021;
- the International segment were 27.2 per cent. in 2023 and 36.9 per cent. in 2022;
- the Investment properties segment were 76.9 per cent. in 2023, 78.4 per cent. in 2022 and 76.6 per cent. in 2021;
- the Hospitality and leisure segment were 34.5 per cent. in 2023, 28.2 per cent. in 2022 and 19.4 per cent. in 2021;
- the Education segment were 42.4 per cent. in 2023, 40.5 per cent. in 2022 and 38.6 per cent. in 2021;
- the Estates segment were 21.3 per cent. in 2023 and 24.6 per cent. in 2022;
- the Others segment were 6.5 per cent. in 2023 and 15.7 per cent. in 2022; and
- the Principal investments segment was 20.9 per cent. in 2021.

Selling and marketing expenses

The Group's selling and marketing expenses amounted to AED 115 million in 2023 compared to AED 220 million in 2022 and AED 183 million in 2021.

2023 and 2022 compared

The AED 105 million, or 47.9 per cent., decrease in selling and marketing expenses in 2023 compared to 2022 was mainly due to:

- an AED 80 million, or 71.4 per cent., reduction in projects marketing expenses; and
- an AED 27 million, or 40.3 per cent., reduction in corporate advertising and events,

which were both driven by costs savings initiatives.

2022 and 2021 compared

The AED 37 million, or 20.7 per cent., increase in selling and marketing expenses in 2022 compared to 2021 reflected:

- an AED 36 million, or 514.3 per cent., increase in exhibitions and sponsorships related selling and marketing expenses, which was mainly due to an increase in the number of projects; and
- an AED 18 million, or 37.5 per cent., increase in corporate advertising and events related selling and marketing expenses, which was mainly due to increased activity in this category of marketing.
- These increases were offset by an AED 16 million, or 12.5 per cent., decrease in projects marketing expenses which mainly reflected reduced activity in this category of marketing.

General and administrative expenses

The Group's general and administrative expenses amounted to AED 1,708 million in 2023 compared to AED 1,499 million in 2022 and AED 1,181 million in 2021.

The table below shows the breakdown of the Group's general and administrative expenses in each of 2023, 2022 and 2021.

	2023	2022	2021
		(AED thousand)	
Staff costs	545,245	626,946	451,529
Depreciation and amortisation	447,625	342,790	250,189
Provisions, impairments and write downs, net	225,945	63,837	247,051
Professional fees	140,836	115,879	40,754
Board of Directors' remuneration	34,181	40,575	20,604
General office expenses	70,960	54,690	—
Business travel	10,674	4,315	—
IT maintenance	40,572	27,183	18,308
Others	191,627	222,322	152,275
Total general and administrative expenses	1,707,665	1,498,537	1,180,710

2023 and 2022 compared

In 2023, the Group's general and administrative expenses increased by AED 209 million, or 14.0 per cent, compared to 2022. The principal factors driving this increase were increases of (i) AED 162 million, or 253.9 per cent., in provisions, impairments and write downs, net and (ii) AED 105 million, or 30.6 per cent., in depreciation and amortisation. These increases were partly offset by an AED 82 million, or 13.0 per cent., decrease in staff costs allocated to general and administrative expenses.

In 2023, the Group recorded provisions, impairments and write downs, net of AED 226 million which principally reflected an AED 133 million write-down of development work in progress, an AED 45 million provision for expected credit losses, net in relation to its trade receivables and AED 56 million in other provisions, impairments and write downs, net.

In 2022, the Group recorded an AED 300 million reversal of impairment on property, plant and equipment which principally related to its hotel properties and mainly reflected improved cashflows and profitability resulting from improved market conditions. The impact of this reversal was partly offset by a combination of (i) AED 172 million in provisions taken (namely an AED 73 million provision for impairment of development work in progress in SODIC, an AED 69 million provision for impairment of other receivable and assets and an AED 30 million provision against prepayments) and (ii) an AED 50 million write down of development work in progress.

The decrease in staff costs allocated to general and administrative expenses in 2023 compared to 2022 was driven by the cost savings initiative.

2022 and 2021 compared

In 2022, the Group's general and administrative expenses increased by AED 318 million, or 26.9 per cent, compared to 2021. The principal factors driving this increase were:

- an increase of AED 175 million, or 38.8 per cent., in the Group's staff costs allocated to general and administrative expenses, which was driven by increased full time equivalent employee numbers reflecting business growth and the consolidation effect of acquisitions;
- an increase of AED 93 million, or 37.0 per cent., in depreciation and amortisation, which was driven by hotel acquisitions and additions to existing property, plant and equipment;
- an increase of AED 75 million, or 184.3 per cent., in professional fees, which was driven by growth in business and acquisitions; and
- an increase of AED 70 million, or 46.0 per cent., in others in 2022, although the increase was higher as both general office expenses and business travel were recorded under others in 2021. The increase in others mainly reflected business growth.

These increases were partly offset by an AED 183 million, or 74.2 per cent., reduction in provisions, impairments and write downs, net in 2022 compared to 2023. The reduction in provisions, impairments and write downs, net principally reflected the reversal of impairment on property plant and equipment, net in 2022 referred to above coupled with an AED 62 million, or 96.9 per cent., reduction in receivables written off in 2022 compared to 2021 and an AED 41 million, or 44.6 per cent., lower write down of development work in progress in 2022 compared to 2021 and was partly offset by AED 172 million in provisions taken in 2022 (also as referred to above) compared to no equivalent provisions in 2021.

Gain on revaluation of investment properties, net

The Group recorded net gains on the revaluation of its investment properties amounting to AED 600 million in 2023 compared to AED 443 million in 2022 and AED 146 million in 2021.

In 2023, the valuation of the Group's investment properties showed a total fair value gain of AED 620 million on major investment properties offset by a fair value loss of AED 20 million on buildings held on leasehold land. In 2022, the valuation of the Group's investment properties showed a total fair value gain of AED 542 million on major investment properties offset by a fair value loss of AED 99 million on buildings held on leasehold land.

Gain on bargain purchase

In 2021, the Group recognised a gain on bargain purchase of AED 99 million which related to the acquisition of Aldar Projects.

In 2022, the Group recorded a gain on bargain purchase of AED 9 million, which principally related to the Twafq acquisition.

The Group did not recognise any gains on bargain purchase in 2023.

Finance income and costs

The Group's finance income amounted to AED 499 million in 2023, AED 218 million in 2022 and AED 48 million in 2021, an increase of AED 281 million, or 129.2 per cent., in 2023 compared to 2022 and an increase of AED 169 million, or 349.3 per cent., in 2022 compared to 2021. The increases in both 2023 and 2022 principally reflected higher interest rates and higher deposit balances.

The table below shows the Group's finance costs in each of 2023, 2022 and 2021.

	2023	2022	2021
		<i>(AED thousand)</i>	
Finance cost on bank borrowings and non-convertible sukuk	583,593	368,915	243,096
Unwinding of finance cost on operating lease liabilities	23,845	15,449	14,060
Others	5,940	6,037	5,096
	613,378	390,401	262,252
Cumulative loss arising on hedging instruments reclassified to profit or loss	7,788	6,947	3,306
Total finance cost.....	621,166	397,348	265,558

The Group's finance cost was AED 621 million in 2023 compared to AED 397 million in 2022 and AED 266 million in 2021.

The AED 224 million, or 56.3 per cent., increase in 2023 compared to 2022 principally reflected an increase of AED 215 million, or 58.2 per cent., in finance cost on bank borrowings and non-convertible sukuk which principally resulted from higher interest rates and a net increase in the gross debt of the Group.

The AED 132 million, or 49.6 per cent., increase in 2022 compared to 2021 principally reflected an increase of AED 126 million, or 51.8 per cent., in finance cost on borrowings and non-convertible sukuk

which resulted from increased borrowing and higher interest rates on the Group's floating rate debt during 2022.

Other income

In 2023, the Group recorded other income of AED 286 million compared to AED 92 million in 2022 and AED 64 million in 2021.

The AED 194 million, or 209.9 per cent., increase in other income in 2023 compared to 2022 principally reflected an AED 149 million increase in the release of liabilities, accruals and provisions that management determined to no longer be required.

The AED 28 million, or 43.8 per cent., increase in other income in 2022 compared to 2021 principally reflected an AED 42 million foreign exchange gain on deposits in 2022 compared to no similar gain in 2021 and an AED 21 million, or 100.0 per cent., increase in other unspecified items of other income, which increases were offset by an AED 24 million, or 72.7 per cent., reduction in release of liabilities, accruals and provisions in 2022 compared to 2021 and AED 11 million in Government grant income recorded upon handover of infrastructure assets in 2021 compared to no similar income recorded in 2022.

Income tax expense

The Group's income tax expense was AED 112 million in 2023 compared to AED 39 million in 2022.

In 2023, the Group's income tax expense was principally attributable to its operations in Egypt, with an additional amount of AED 57 million in deferred tax relating to a new UAE corporate tax law that impacts the Group from 1 January 2024. The Group considers that taxable temporary differences arise in respect of historical purchase price allocation (PPA) adjustments and accounting policy alignments carried on the Group's consolidated statement of financial position. While the PPA adjustments relate to corporate transactions completed before 2024, the deferred tax liability arises due to the introduction of the new corporate tax law in the UAE, and on the basis that the entities to which those PPA adjustments are attributed should be subject to the UAE corporate tax in the future.

In 2022, the Group's income tax expense was entirely attributable to its operations in Egypt.

The Group had no income tax expense in 2021 as all its operations were conducted in the UAE.

Profit for the year after tax

Reflecting the above factors, the Group's profit for the year after tax was AED 4,416 million in 2023 compared to AED 3,144 million in 2022 and AED 2,333 million in 2021, an increase of AED 1,273 million, or 40.5 per cent., in 2023 compared to 2022 and an increase of AED 810 million, or 34.7 per cent., in 2022 compared to 2021.

Total comprehensive income for the year

The Group's other comprehensive income in each of 2023, 2022 and 2021 related to foreign exchange differences on translation of foreign operations (in 2023 and 2022 only), its hedging arrangements, its financial assets held at fair value through other comprehensive income and, in 2021 only, fair value gain on revaluation on certain property, plant and equipment.

In 2023, the Group recorded other comprehensive loss for the year AED 288 million, which principally reflected an AED 253 million negative foreign exchange difference on translation of foreign operations which almost entirely reflected movements in the exchange rate between the dirham and the Egyptian pound and an AED 21 million fair value loss arising on cash flow hedges.

In 2022, the Group recorded other comprehensive loss for the year AED 391 million, which principally reflected an AED 644 million negative foreign exchange difference on translation of foreign operations

which almost entirely reflected movements in the exchange rate between the dirham and the Egyptian pound which was offset mainly by an AED 193 million fair value gain arising on cash flow hedges and an AED 53 million fair value gain arising on the revaluation of financial assets held at FVOCI.

In 2021, the Group recorded other comprehensive income of AED 115 million which principally reflected an AED 74 million fair value gain on the revaluation of property, plant and equipment transferred to investment property and an AED 27 million fair value gain on cash flow hedges.

Reflecting the above factors and the Group's profit for the year after tax, the Group's total comprehensive income for the year was AED 4,129 million in 2023 compared to AED 2,753 million in 2022 and AED 2,449 million in 2021, an increase of AED 1,376 million, or 50.0 per cent., in 2023 compared to 2022 and an increase of AED 304 million, or 12.4 per cent., in 2022 compared to 2021.

LIQUIDITY AND CAPITAL RESOURCES

Overview

The Group's funding requirements are primarily to fund its development projects and other capital expenditures, purchases of property, plant and equipment, acquisitions of subsidiaries and investment properties, investments in financial assets, as well as repaying borrowings and paying dividends and finance costs. The Group typically seeks to fund its expenditures and working capital needs from cash flow from operations, asset sales and borrowings.

As at 30 September 2024, the Group had total indebtedness in the form of bank borrowings and non-convertible sukuk of AED 15,396 million. These facilities are described under "*Borrowings*" below.

Although the Group is not subject to any externally imposed capital requirements, certain Group companies are subject to financial covenants under certain of their financings, which may limit the Group's ability to undertake additional financings. These covenants include observing a minimum level of tangible net worth, a minimum collateral cover ratio and a covenant relating to financial indebtedness. See "*Risk Factors—Financial risks relating to the Group—The terms of certain Group indebtedness contain financial covenants which may limit the Group's operating flexibility*".

The Issuer's dividend is a combination of the individual dividend policies of the Aldar Investment and Aldar Development businesses. Aldar Investment's dividend policy is to distribute between 65 to 80 per cent. of its adjusted funds from operations (defined as net income plus impairments and fair value losses, less fair value gains, less gains on sale, plus loss on sale, plus depreciation and amortisation, and less maintenance capital expenditure). Aldar Development's dividend policy is to distribute between 20 to 40 per cent of its realised profits upon completion and handover of developments.

Cash flow

The table below summarises the Group's consolidated statement of cash flows data for the nine-month periods ended 30 September in each of 2024 and 2023.

	Nine months ended 30 September	
	2024	2023
	(AED thousand)	
Operating cash flows before movements in working capital	5,062,377	3,529,895
Net cash generated from operating activities.....	2,128,131	2,818,924
Net cash generated from/(used in) investing activities	1,436,095	(3,027,570)
Net cash generated from/(used in) financing activities.....	864,957	(1,893,824)
Net increase/(decrease) in cash and cash equivalents.....	4,429,183	(2,102,470)
Cash and cash equivalents at the beginning of the period	4,963,096	7,020,318
Cash and cash equivalents at the end of the period.....	9,280,480	4,866,843

The table below summarises the Group's consolidated statement of cash flows data for each of 2023, 2022 and 2021.

	2023	2022	2021
		(AED thousand)	
Operating cash flows before movements in working capital	4,791,243	3,382,380	2,648,604
Net cash generated from operating activities.....	3,589,649	6,300,519 ⁽¹⁾	5,800,258
Net cash used in investing activities.....	(4,063,497)	(9,851,077)	(1,359,456)
Net cash (used in)/generated from financing activities.....	(1,533,145)	5,327,247 ⁽¹⁾	(1,643,432)
Net (decrease)/increase in cash and cash equivalents.....	(2,006,993)	1,776,689	2,797,370
Cash and cash equivalents at the beginning of the year.....	7,020,318	5,383,855	2,586,485
Cash and cash equivalents at the end of the year.....	4,963,096	7,020,318	5,383,855

Note:

(1) In the 2022 Financial Statements, 'Net cash generated from operating activities' amounted to AED 6,226,922 thousand and 'Net cash generated from financing activities' amounted to AED 5,400,844 thousand. The figures in the table reflect the reclassification in the 2023 Financial Statements of amounts recorded as 'Increase in trade and other payables' under operating activities – movement in working capital in 2022 in the 2022 Financial Statements to 'Cash flows from financing activities' in 2022 in the 2023 Financial Statements.

Cash flows from operating activities

Nine-month periods ended 30 September in each of 2024 and 2023

The Group's net cash generated from operating activities was AED 2,128 million in the nine months ended 30 September 2024 compared to AED 2,819 million in the corresponding period in 2023.

The Group's operating cash flows before movements in working capital were AED 5,062 million in the nine months ended 30 September 2024 compared to AED 3,530 million in the corresponding period in 2023. The Group's cash flow from operations before working capital changes in each period principally reflects its profit for the year adjusted to reflect non-cash items such as its fair value gain on investment properties, finance income, finance costs and depreciation and amortisation and, in the nine months ended 30 September 2023, its provisions, impairments and write downs, net.

The Group's working capital changes in the nine months ended 30 September 2024 were total cash outflows of AED 6,101 million (which comprised an AED 3,484 million increase in trade receivables and other assets, an AED 1,576 million increase in contract assets and an AED 1,041 million increase in development work in progress, inventories and plots of land held for sale) and total cash inflows of AED 3,283 million (of which the principal items were an AED 1,409 million increase in trade and other payables, an AED 948 million increase in contract liabilities and an AED 768 million increase in advances from customers).

The Group's principal working capital changes in the nine months ended 30 September 2023 were total cash outflows of AED 3,776 million (which principally comprised an AED 1,714 million increase in trade receivables and other assets and an AED 1,570 million increase in contract assets) and total cash inflows of AED 3,165 million (which principally comprised an AED 1,838 million increase in contract liabilities).

2023, 2022 and 2021

The Group's net cash generated from operating activities was AED 3,590 million in 2023 compared to AED 6,301 million in 2022 and AED 5,800 million in 2021.

The Group's operating cash flows before movements in working capital were AED 4,791 million in 2023 compared to AED 3,382 million in 2022 and AED 2,649 million in 2021. The Group's cash flow from operations before working capital changes in each year principally reflects its profit for the year adjusted to reflect non-cash items such as its fair value gain on investment properties, finance income, finance costs, depreciation and amortisation and provisions, impairments and write downs, net and, in 2021 only, its reversal of impairment on property, plant and equipment.

The Group's principal working capital changes in 2023 were total cash outflows of AED 5,237 million (of which the major items were an AED 2,108 million decrease in trade and other payables and an AED 1,147 million increase in contract assets) and total cash inflows of AED 4,150 million (of which the principal item was an AED 3,757 million increase in contract liabilities).

The Group's principal working capital changes in 2022 were total cash inflows of AED 4,457 million (of which the major items were an AED 2,782 million increase in trade and other payables and an AED 1,120 million increase in contract liabilities) and total cash outflows of AED 1,414 million (of which the principal item was an AED 1,065 million increase in trade receivables and other assets).

The Group's principal working capital change in 2021 was total cash inflows of AED 3,190 million (of which the major item was an AED 1,701 million increase in trade and other payables).

Cash flows from investing activities

Nine-month periods ended 30 September in each of 2024 and 2023

The Group's net cash generated from investing activities was AED 1,436 million in the nine months ended 30 September 2024 compared to net cash used in investing activities of AED 3,028 million in the corresponding period in 2023.

In the nine months ended 30 September 2024, the Group's principal investing cash inflows were an AED 2,842 million movement in restricted bank balances which mainly represented the reclassification of escrow cash balances for projects where construction progress exceeds 20 per cent. completion or where performance bond approval has been obtained from the relevant regulator and AED 561 million finance income received. In the same period, the Group's principal investing cash outflows were AED 1,495 million in additions to investment properties (which mainly related to capitalised work on investment properties under development including land acquired for development as investment properties and redevelopment of completed properties as detailed in note 7 to the Interim Financial Information) and AED 468 million payments for purchase of property, plant and equipment (which mainly related to the construction of new school buildings).

In the nine months ended 30 September 2023, the Group's principal investing cash outflows were an AED 1,880 million movement in restricted bank balances, AED 845 million in additions to investment properties, AED 477 million in payment for treasury bills, AED 396 million in payment for purchase of property, plant and equipment (which mainly related to investment properties under development and cost incurred on completed investment properties) and AED 346 million in the acquisition of subsidiaries, net of cash acquired. In the same period, the Group's principal investing cash inflows were AED 495 million in proceeds from the maturity of treasury bills and AED 250 million in finance income received.

2023, 2022 and 2021

The Group's net cash used in investing activities was AED 4,063 million in 2023 compared to AED 9,851 million in 2022 and AED 1,359 million in 2021.

In 2023, the Group's principal investing cash outflows were an AED 1,666 million movement in restricted cash balances and an AED 1,582 million addition to investment properties (which mainly related to capitalised work on investment properties under development and acquisitions of new investment properties as detailed in note 7.2 to the 2023 Financial Statements). The Group also had investing cash outflows of AED 692 million in relation to the acquisition of subsidiaries, net of cash acquired (which principally related to its acquisitions of LSQ, Virginia, Fab Properties, Kent and Basatin, as detailed in note 47 to the 2023 Financial Statements), AED 647 million in payments for purchases of property, plant and equipment (mainly capital work in progress related to the construction of school buildings) and AED 624 million in investments in financial assets (mainly unquoted international funds held at fair value through profit and loss). In 2023, the Group's principal investing cash inflows were an AED 635 million from maturing treasury bills (although this was largely offset

by AED 558 million invested in treasury bills), AED 479 million in finance income received and AED 438 million in movement in term deposits with maturities over three months.

In 2022, the Group's principal investing cash outflows were an AED 5,434 million in additions to investment properties (which mainly related to the acquisition of the Abu Dhabi Global Market Towers on Al Maryah Island in Abu Dhabi as detailed in note 7.2 to the 2022 Financial Statements), AED 2,110 million in payments for purchases of property, plant and equipment (principally related to the acquisition of two hotels in Ras Al Khaimah) and an AED 1,500 million in movement in restricted bank balances. The Group also had an investing cash outflow of AED 555 million in movement in term deposits with maturities over three months and AED 489 million in relation to the acquisition of subsidiaries, net of cash acquired (which principally related to its acquisitions of Twafq and Spark, as detailed in note 47 to the 2023 Financial Statements). In 2022, the Group's principal investing cash inflows were an AED 478 million from maturing treasury bills (although this was more than offset by AED 628 million invested in treasury bills), AED 252 million in proceeds from the disposal of investment properties and property, plant and equipment finance and AED 102 million in finance income received.

In 2021, the Group's principal investing cash outflows were an AED 1,263 million in movement in restricted bank balances and AED 689 million in relation to the acquisition of subsidiaries, net of cash acquired (which principally related to its acquisition of SODIC, as detailed in note 47 to the 2022 Financial Statements). In 2021, the Group's principal investing cash inflow was an AED 701 million movement in term deposits with maturities over three months.

Cash flows from financing activities

Nine-month periods ended 30 September in each of 2024 and 2023

The Group's principal financing activities in the two nine-month periods were the borrowing and repayment of indebtedness in the form of bank borrowings and non-convertible sukuk, the payment of dividends to its shareholders, the payment of finance costs in respect of its debt and payment for the purchase of land held for sale.

The Group's net cash generated from financing activities was AED 865 million in the nine months ended 30 September 2024 compared to net cash used in financing activities of AED 1,894 million in the corresponding period in 2023.

In the nine months ended 30 September 2024, the Group's financing cash inflows were AED 1,875 million in proceeds from bank borrowings net of repayments of bank borrowings, AED 1,369 million in proceeds from non-convertible sukuk net of repayment of non-convertible sukuk, and AED 311 million in additional contribution from non-controlling interests. In the same period, the Group's principal cash outflows were AED 1,555 million in dividends paid (including dividends paid to non-controlling interest), AED 596 million in finance costs paid and an AED 363 million in payment for the purchase of land held for sale.

In the nine months ended 30 September 2023, the Group's principal cash outflows were AED 1,496 million in dividends paid (including dividends paid to non-controlling interest), AED 1,065 million in repayment of bank borrowings net of proceeds from bank borrowings, AED 667 million in payment for the purchase of land held for sale and AED 491 million in finance costs paid. In the same period, the Group's principal cash inflows were AED 1,804 million in proceeds from non-convertible sukuk and AED 184 million in proceeds from settlement of derivatives.

2023, 2022 and 2021

The Group's principal financing activities in each year were the borrowing and repayment of indebtedness in the form of bank borrowings and non-convertible sukuk, the payment of dividends to its shareholders and the payment of finance costs in respect of its debt. In addition, in 2023, the Group had a significant financing cash outflow in respect of the purchase of land held for sale and, in 2022, it had a

significant financing cash inflow in relation to the issue of hybrid equity instruments as further discussed below.

The Group's net cash used in financing activities was AED 1,533 million in 2023 compared to net cash generated from financing activities of AED 5,327 million in 2022 and net cash used in financing activities of AED 1,643 million in 2021.

In 2023, the Group's principal cash outflows were AED 1,258 million in dividends paid, AED 731 million in finance costs paid, AED 623 million in payment for the purchase of land held for sale and AED 586 million in bank borrowings repaid net of proceeds from new bank borrowings. The Group's principal cash inflows in 2023 were AED 1,805 million in proceeds from non-convertible sukuk issued and AED 184 million in proceeds from the settlement of derivatives.

In 2022, the Group's principal cash inflows were AED 3,258 million in proceeds from the movement of ownership interest in subsidiaries (which reflected the sale of an 11.1 per cent. interest in AIP), AED 2,030 million in proceeds from bank borrowings net of repayments of bank borrowings and AED 1,816 million representing proceeds from a hybrid equity instrument issued. The Group's principal cash outflows in 2022 were AED 1,253 million in dividends paid and AED 394 million in finance costs paid.

In 2021, the Group's principal cash outflows were AED 1,141 million in dividends paid, AED 263 million in finance costs paid and AED 211 million in bank borrowings repaid net of proceeds from new bank borrowings.

Borrowings

Introduction

The Group's leverage policy is (i) to maintain the leverage of the Aldar Development business at less than 25 per cent. and (ii) to maintain the leverage of the Aldar Investments business at less than 40 per cent. For this purpose, leverage is defined as the relevant business' consolidated total debt (which comprises both non-convertible sukuk and bank borrowings) divided by its total gross asset value.

Bank borrowings

The Group's total borrowings as at 31 December 2023 comprised:

- AED 6,576 million outstanding bank borrowings, comprising amounts outstanding under 11 bilateral term loan facilities (seven of which are secured), six revolving facilities (two of which are secured) and two other facilities (one of which are secured) with maturities between December 2024 and December 2031; and
- AED 5,503 million in three series of unsecured non-convertible sukuk certificates issued by AIP with maturities in September 2025, October 2029 and May 2033.

The table below shows certain information in relation to the Group's bank borrowings as at 31 December 2023. No equivalent information is disclosed in the Interim Financial Information.

	Amount outstanding as at 31 December 2023	Maturity
	<i>(AED thousand)</i>	
Ijarah facility	420,000	March 2025
Term loan 1	1,000,000	September 2028
Revolving credit facility 1	—	March 2026
Revolving credit facility 2	500,000	September 2027
Revolving credit facility 3	—	March 2028
Revolving credit facility 4	469,500	March 2025
Revolving credit facility 5	300,000	December 2024
Revolving credit facility 6	55,935	December 2030
Revolving credit facility 7	529,415	March 2024

	Amount outstanding as at 31 December 2023	Maturity
	<i>(AED thousand)</i>	
Revolving credit facility 8	500,000	March 2026
Term loan 2	500,000	November 2027
Term loan 3	300,000	June 2026
Term loan 4	1,000,000	September 2028
Term loan 5	400,000	September 2028
Term loan 6	150,722	December 2031
Term loan 7	—	December 2024
Term loan 8	65,305	September 2027
Term loan 9	32,598	June 2027
Term loan 10	200,000	June 2028
Term loan 11	54,619	December 2030
Term loan 12	111,793	March 2026
Receivables discounting facility	26,429	September 2027
Murabaha facility	—	September 2027
Unamortised borrowing cost	(47,398)	
Accrual for interest and profits	7,294	
	6,576,212	

The loans in the table above carried margins ranging from 0.50 per cent. to 2.95 per cent. above the base lending rate as at 31 December 2023.

The majority of the loans in the table as at 31 December 2023 are for general corporate purposes, although there are also six project finance loans (revolving credit facility 6 and term loans 6 through 9 and 11), a receivables discounting facility and a murabaha facility for investment purposes. All the project finance loans are secured together with four general corporate purpose loans (revolving credit facility 7, term loans 2, 3 and 12) and the receivables discounting facility.

Certain bank borrowings (term loans 2 and 3) as at 31 December 2023 are secured by mortgages over properties, of which operating assets under investment properties were valued at AED 1,073 million. Seventeen of the Group's loans as at 31 December 2023 carry a net worth covenant.

As at 31 December 2023, term loans 6 to 9, 11 and 12, the receivables discounting facility and revolving credit facilities 6 and 7, which have been borrowed by the Group's subsidiaries in Egypt and the United Kingdom, were secured against:

- pledges to deposit all proceeds from the sales of units in designated accounts with the lenders;
- assignment rights of the first degree on the projects account in favour of the lenders;
- mortgages on the leased assets/units and buildings and pledges over unsold units; and
- various developmental work in progress.

As at 30 September 2024, the Group's total borrowings amounted to AED 15,396 million compared to AED 12,079 million as at 31 December 2023. Between 31 December 2023 and 30 September 2024, the Group's bank borrowings increased by AED 1,808 million, reflecting:

- a new five-year revolving facility agreement with a total commitment of AED 1.0 billion, all of which had been utilised as at 30 September 2024;
- a new five-year revolving facility agreement with a total commitment of AED 500 million of which AED nil million had been utilised as at 30 September 2024;
- a new five-year revolving facility agreement with a total commitment of AED 1.5 billion of which AED 1.1 billion had been utilised as at 30 September 2024; and

- the refinancing and increase of an unsecured term loan for an international subsidiary to GBP 250 million (AED 1,229 million) offset by repayments of the subsidiary's original secured borrowings.

In addition, the Group's non-convertible sukuk increased by AED 1,509 million reflecting the issue of U.S.\$500 million (AED 1,836 million) green sukuk due May 2034 by AIP under its sukuk programme offset by the partial redemption of an earlier sukuk issued by AIP in the amount of AED 456 million.

As at 30 September 2024, the Group had AED 8,424 million of undrawn, committed term loans and revolving credit facilities.

The table below shows the split of the Group's bank borrowings and non-convertible sukuk by geography and by Group entity as at 30 September 2024.

	Amount outstanding
	<i>(AED thousand)</i>
Geography	
Within the UAE.....	13,930,358
Outside the UAE (Egypt and the United Kingdom)	1,465,676
	15,396,034
By Group entity (as at 30 September 2024)	
Aldar Properties PJSC	5,334,437
Subsidiary with Aldar Properties PJSC guarantee.....	1,236,868
Subsidiaries not guaranteed by Aldar Properties PJSC	8,824,730
	15,396,034

Sukuk certificates issued

On 1 October 2018, AIP issued U.S.\$500 million (AED 1.8 billion) unsecured non-convertible sukuk certificates. The certificates carry a profit rate of 4.75 per cent. per annum payable semi-annually and mature in September 2025.

On 22 October 2019, AIP issued U.S.\$500 million (AED 1.8 billion) unsecured non-convertible sukuk certificates. The certificates carry a profit rate of 3.875 per cent. per annum payable semi-annually and mature in October 2029.

On 17 May 2023, AIP issued U.S.\$500 million (AED 1.8 billion) unsecured non-convertible sukuk certificates. The certificates carry a profit rate of 4.875 per cent. per annum payable semi-annually and mature in May 2033.

On 8 May 2024, AIP issued U.S.\$500 million (AED 1.8 billion) unsecured non-convertible sukuk certificates. The certificates carry a profit rate of 5.500 per cent. per annum payable semi-annually and mature in May 2034.

Maturity profile

The table below shows the maturity profile of the Group's outstanding borrowings as at 30 September 2024.

	As at 30 September 2024	
	<i>(AED thousand)</i>	<i>(per cent.)</i>
Due within 1 - 3 months	19,594	0.1
Due between three months and one year	1,570,226	10.2
Due between one and five years	8,241,901	53.5
Due after five years	5,564,314	36.1
Total borrowings	15,396,034	100.0

Interest rate hedging

The Group has, in the past, entered interest rate swap contracts in relation to certain of its borrowings designed to hedge its exposure to movements in interest rates. These contracts were designated as cash flow hedges and gave rise to movements in the Group's hedging reserve and impacted its statement of comprehensive income. No such contracts were outstanding as at 31 December 2023. In the nine months ended 30 September 2024, the Group entered a forward starting interest rate swap having notional value of U.S.\$500 million, under which fixed interest rate is received semi-annually and floating interest rate is paid by the Group semi-annually.

As part of the LSQ acquisition, the Group acquired interest rate cap contracts which manage LSQ's exposure to variable rate interest on its borrowings. Because LSQ does not designate the interest rate cap contracts derivatives as hedges, the fair value changes are recognised in the Group's profit and loss in accordance with the Group's accounting policy set out in note 3 to the 2023 Financial Statements.

The gross carrying amount of the Group's interest rate swap and cap contracts was AED 86 million as at 30 September 2024.

ANALYSIS OF CERTAIN STATEMENT OF FINANCIAL POSITION ITEMS

Assets

The Group's principal non-cash assets are its investment properties, which amounted to AED 27,898 million, or 34.5 per cent., of the Group's total assets at 30 September 2024. As at 30 September 2024, the Group also had AED 13,292 million in cash and bank balances, AED 11,660 million in trade receivables and other assets, AED 7,652 million in development work in progress, AED 6,843 million in plots of land held for sale and AED 6,656 million in property, plant and equipment.

Investment properties

The table below shows the movements in the Group's investment properties in the nine months ended 30 September 2024 and in each of 2023, 2022 and 2021.

	Nine months ended 30 September 2024	2023	2022	2021
		<i>(AED thousand)</i>		
Balance at the beginning of the period	26,217,542	23,933,024	18,025,935	16,462,916
Additions during the period.....	1,817,901	1,616,861	5,628,928	255,798
Recognised as part of business combinations.....	—	—	697,529	929,801
Revaluation on transfer from property, plant and equipment	—	—	—	73,623
Fair value (loss)/gain, net	375,732	600,157	442,797	146,383
Write off	—	—	—	(8,598)
Disposals during the period	(398,850)	(152,097)	(232,372)	(144,733)
Transfers (to)/from:	—	—	—	—
property, plant and equipment	—	(26,477)	51,730	(262,917)
Inventories.....	—	—	(17,122)	—
development work in progress.....	—	316,531	(411,757)	573,662
Exchange differences	(114,257)	(70,457)	(252,644)	—
Balance at the end of the period	27,898,068	26,217,542	23,933,024	18,025,935

As at 30 September 2024, the fair value of the Group's investment properties was AED 27,898 million compared to AED 26,218 million 31 December 2023, AED 23,933 million as at 31 December 2022 and AED 18,026 million as at 31 December 2021, an increase of AED 1,681 million, or 6.4 per cent., as at 30 September 2024 compared to 31 December 2023, an increase of AED 2,285 million, 9.5 per cent., as at 31 December 2023 compared to 31 December 2022 and an increase of AED 5,907 million, or 32.8 per cent., as at 31 December 2022 compared to 31 December 2021.

The AED 1,681 million increase in the nine months ended 30 September 2024 principally reflected AED 1,818 additions during the period, primarily capitalised costs incurred on the construction of properties under development (including land acquired for development as investment properties) and redevelopment of completed properties (principally Yas mall, Al Maryah mall, Al Jimi mall and Al Hamra mall).

The AED 2,285 million increase in 2023 principally reflected AED 1,617 million in additions to the portfolio driven by capital costs incurred during the year and the acquisitions of a leasehold interest in a logistics warehouse in Dubai and a staff accommodation property in Ras Al Khaimah, AED 600 million in fair value gain and AED 317 million in transfers from development work in progress reflecting a change in use as management determined that the properties would be held for lease on completion. During the year, the Group disposed of residential investment properties raising AED 176 million, of which AED 24 million was net gain that was recorded in the consolidated statement of profit or loss.

The AED 5,907 million increase in 2022 principally reflected AED 5,629 million in additions to the portfolio driven by the acquisition of commercial office towers on Al Maryah Island and a mall in Ras Al Khaimah. In addition, AED 698 million was recognised as part of the Twafq acquisition and the Group recorded an AED 443 million fair value gain. These positive factors were partly offset by AED 412 million transfers to development work in progress reflecting a change in use as management determined to sell the properties concerned and AED 253 million negative exchange differences as the Egyptian pound depreciated against the dirham.

The Group's investment properties are mainly valued using the income capitalisation method. As at 30 September 2023, the Group conducted a sensitivity analysis on the capitalisation rates and rental rates for its major investment properties. Based on this sensitivity analysis:

- a decrease in the capitalisation rates by 50 basis points would have resulted in an AED 1,098 million, or 3.9 per cent., increase in the valuation, whilst an increase in the capitalisation rates by 50 basis points would have resulted in a AED 951 million, or 3.4 per cent., decrease in the valuation of those properties; and
- an increase in the rental rates by 10 per cent. would have resulted in an AED 1,384 million, or 5.0 per cent., increase in the valuation, whilst a decrease in the rental rates by 10 per cent. would have resulted in an AED 1,384 million, or 5.0 per cent., decrease in the valuation of those properties.

Discount rates and capitalisation rates are different from interest rates as commonly applied to borrowing rates or cost of short term and long-term debt. Discount rates and capitalisation rates are derived by professional valuers in determining the fair market value of investment properties by using multiple valuation factors. There are interrelationships between the unobservable inputs which are generally determined by market conditions. The valuation may be affected by the interrelationship between the two noted unobservable inputs; for example, an increase in rent may be offset by an increase in the capitalisation rate, thus resulting in no net impact on the valuation. Similarly, an increase in rent in conjunction with a decrease in the capitalisation rate would amplify an increase in the value. All the Group's investment properties are categorised under level 3 in the fair value hierarchy.

Certain of the Group's investment properties are pledged as security against bank borrowings, see "*Liquidity and capital resources—Borrowings—Bank borrowings*" above.

Cash and bank balances

As at 30 September 2024, the Group's cash and bank balances amounted to AED 13,292 million, or 16.4 per cent. of its total assets. Of this amount, AED 3,796 million, or 28.6 per cent., comprised restricted bank balances. Of the Group's total cash and bank balances as at 30 September 2024, AED 1,809 million, or 13.6 per cent., was held in the form of short-term deposits with banks and the balance was held in cash and current accounts with banks. The Group's term deposits paid interest at rates between 0.26 per cent. and 5.42 per cent. in the nine months ended 30 September 2024.

Restricted cash and bank balances as at 30 September 2024 include balances amounting to AED 2,974 million which are deposited into escrow accounts representing cash received from customers against sale of development properties. The remaining balance of restricted cash balances mainly represents cash balances designated against Government projects and dividend payables for which separate bank accounts are maintained.

Trade receivables and other assets

As at 30 September 2024, the Group's trade receivables and other assets amounted to AED 11,660 million, or 14.4 per cent. of its total assets.

The Group's trade receivables and other assets principally comprise trade receivables, which mainly represent amounts due in respect of sales of plots of land and properties, rent, property and facilities management services and education services, and advances and prepayments, which are mainly advances given to contractors and suppliers against future work.

The table shows the Group's trade receivables and other assets as at 30 September 2024 and as at 31 December in each of 2023, 2022 and 2021.

	As at 30 September	As at 31 December		
	2024	2023	2022	2021
		<i>(AED thousand)</i>		
Trade receivables.....	6,966,413	5,507,501	3,393,116	4,483,403
Advances and prepayments	2,926,328	1,985,829	2,655,499	1,565,475
Others	2,205,351	2,020,550	2,558,335	1,876,743
Less: allowance for expected credit losses	(437,994)	(472,445)	(445,064)	(341,301)
	11,660,098	8,960,662	8,161,886	7,584,320

The increase of AED 2,699 million, or 30.1 per cent., in the Group's trade receivables and other assets net of allowance for ECL as at 30 September 2024 compared to 31 December 2023 principally reflects an AED 1,458 million, or 26.5 per cent., increase in trade receivables, which was driven by progress billing on projects under development, and an AED 940 million, or 47.3 per cent., increase in advances and prepayments, which was driven by an increase in operations and acquisitions made.

The increase of AED 799 million, or 9.8 per cent., in the Group's trade receivables and other assets net of allowance for ECL as at 31 December 2023 compared to 31 December 2022 principally reflects an AED 2,114 million, or 62.3 per cent., increase in trade receivables which was driven by progress billing on projects under development. This increase was offset by an AED 670 million, or 25.2 per cent., decrease in advances and prepayments which was driven by the carve out of from Aldar Projects of a Government-related advance and an AED 619 million, or 24.2 per cent., decrease in others (mainly refundable costs and VAT recoverable).

The increase of AED 578 million, or 7.6 per cent., in the trade receivables portfolio net of allowance for ECL as at 31 December 2022 compared to 31 December 2021 principally reflects increases of AED 1,090 million, or 69.6 per cent., in advances and prepayments driven by advances to suppliers for management projects and AED 350 million paid against an asset acquisition and AED 682 million, or 36.3 per cent., in others (mainly refundable costs and VAT recoverable). These increases were partly offset by an AED 1,090 million, or 24.3 per cent., decrease in trade receivables which was driven by collections on development projects.

As at 31 December 2023, 6 per cent. of the Group's trade receivables were due from its five largest customers. The equivalent percentages at 31 December 2022 and 31 December 2021 were 6 per cent. and 9 per cent., respectively. This concentration of credit risk is mitigated in some cases by the fact that the customers have already made instalment payments, in some cases substantial, on the plots, which

the Group would contractually be entitled to retain in the event of non-completion of the remaining contractual obligations to cover losses incurred by the Group.

The table below shows the ageing of the Group's unimpaired trade receivables as at 31 December in each of 2023, 2022 and 2021.

	As at 31 December		
	2023	2022	2021
		(AED thousand)	
Not past due.....	3,390,461	2,120,033	3,499,270
Past due up to 180 days	1,065,767	507,936	210,051
Past due more than 180 days but not impaired	816,639	555,636	615,275
Total unimpaired trade receivables	5,272,867	3,183,605	4,324,596

As at 31 December 2023, the Group's ECL allowance in respect of its trade receivables was AED 235 million compared to AED 210 million as at 31 December 2022 and AED 159 million as at 31 December 2021. In 2023, the Group's ECL charge for the year was AED 45 million and it wrote off provisions for ECL of AED 20 million. In 2022, the Group's ECL charge for the year was AED 48 million and it released provisions for ECL of AED 3 million. In 2021, the Group's ECL charge for the year was AED 25 million and it wrote off provisions for ECL of AED 56 million.

Development work in progress

As at 30 September 2024, the Group's development work in progress amounted to AED 7,652 million, or 9.5 per cent. of its total assets. The Group's development work in progress represents development and construction costs incurred on properties being constructed for sale in the ordinary course of business.

The table below shows the movements in the Group's development work in progress in the nine months ended 30 September 2024 and in each of 2023, 2022 and 2021.

	Nine months ended 30 September 2024	2023	2022	2021
		(AED thousand)		
Balance at the beginning of the period	6,243,802	3,835,682	4,503,543	2,719,770
Development costs incurred during the period	7,387,374	4,845,162	3,201,316	1,901,420
Recognised as part of business combinations.....	—	1,152,558	—	3,222,129
Recognised in cost of properties sold.....	(6,212,192)	(3,345,423)	(2,524,431)	(1,690,359)
Write off of project costs incurred during the period.	(5,822)	(133,216)	(50,344)	(90,852)
Provision for impairment.....	(1,042)	(480)	(73,333)	—
Transfers (to)/from:				
Inventories.....	(20,331)	(38,209)	(688,082)	(725,707)
Investment properties	—	(316,531)	411,757	(573,662)
Property, plant and equipment.....	(33,000)	—	—	(259,196)
Plots of land held for sale	972,670	687,939	340,552	—
Exchange differences	(679,420)	(443,680)	(1,285,296)	—
Balance at the end of the period	7,652,039	6,243,802	3,835,682	4,503,543

As at 30 September 2024, the carrying value of the Group's development work in progress was AED 7,652 million compared to AED 6,244 million as at 31 December 2023, AED 3,836 million as at 31 December 2022 and AED 4,504 million as at 31 December 2021, an increase of AED 1,408 million, or 22.5 per cent., as at 30 September 2024 compared to 31 December 2023, an increase of AED 2,408 million, 62.8 per cent., as at 31 December 2023 compared to 31 December 2022 and a decrease of AED 668 million, or 14.8 per cent., as at 31 December 2022 compared to 31 December 2021.

The AED 1,408 million increase in the nine months ended 30 September 2024 principally reflected AED 7,387 million in development costs incurred during the period and AED 973 million in plots of land held for sale transferred to development work in progress offset by AED 6,212 million recognised in direct cost of properties sold reflecting sales of units in projects under development and AED 679 million in negative exchange differences principally reflecting adverse movements in the exchange rate between the Egyptian pound and the dirham.

The AED 2,408 million increase in 2023 principally reflected AED 4,845 million in development costs incurred during 2023 and AED 1,153 million recognised as part of the acquisition of LSQ offset by AED 3,345 million recognised in cost of properties sold reflecting sales of units in completed projects.

The AED 668 million decrease in 2022 principally reflected AED 2,524 million recognised in cost of properties sold reflecting sales of units in completed projects and AED 1,285 million in negative exchange differences recognised as a result of the devaluation of the Egyptian pound against the dirham offset by AED 3,201 million development costs incurred during 2022.

As at 30 September 2024, development properties with a carrying value of AED 2,976 million, or 38.9 per cent. of the total carrying value of the Group's development properties were in the UAE, with the balance being in Egypt and the United Kingdom.

Plots of land held for sale

As at 30 September 2024, the Group's plots of land held for sale amounted to AED 6,843 million, or 8.5 per cent. of its total assets.

The Group's plots of land held for sale represent plots of land intended to be sold in the normal course of business. If management determines to use these plots of land for development, they are transferred either to development work in progress or to investment properties under development on launch of the respective projects.

The table below shows the movements in the Group's plots of land held for sale in the nine months ended 30 September 2024 and in each of 2023, 2022 and 2021.

	Nine months ended 30 September 2024	2023	2022	2021
		<i>(AED thousand)</i>		
Balance at the beginning of the period	7,787,308	4,822,121	5,137,885	4,788,652
Additions during the period.....	8,466	3,866,520	232,572	352,976
Borrowing cost capitalised	106,710	145,207	—	—
Others	—	—	—	—
Recognised in costs of properties sold (direct costs) .	(86,986)	(358,601)	(207,784)	(3,743)
Transfer to development work in progress during the period	(972,670)	(687,939)	(340,552)	—
Balance at the end of the period	6,842,828	7,787,308	4,822,121	5,137,885

All the Group's plots of land held for sale are located in UAE. As at each year end, the Group determines the net realisable value of its plots of land held for sale. The estimates of net realisable values are based on the most reliable evidence available at the reporting date of the amount that the Group is expected to realise from the sale of these properties in its ordinary course of business. These estimates also take into consideration the purpose for which the inventory is held. The determination of net realisable value of plots of land held for sale is based on external valuations using various valuation methodologies and techniques.

The AED 944 million, or 12.1 per cent., decrease in the balance of plots of land held for sale as at 30 September 2024 compared to 31 December 2023 principally reflected an AED 973 million transfer of plots of land held for sale to development work in progress.

The AED 2,965 million, or 61.5 per cent., increase in the balance of plots of land held for sale as at 31 December 2023 compared to 31 December 2022 principally reflected AED 3,867 million in additions to the portfolio driven by (i) the acquisition of three parcels of land in Dubai through a 51 per cent. owned subsidiary and (ii) the acquisition of 3.4 million m² of land on Al Fahid Island. The consideration for these two acquisitions together was AED 4.6 billion payable over five years. The relevant properties were initially recognised at cost which is the present value of the consideration payable over the period of five years discounted using the Group incremental borrowing rate. The discounted value of the properties is equal to their fair value on the date of purchase and amounted to AED 3.9 billion. During 2023, the Group also sold certain plots of land and transferred others to development work in progress.

The AED 316 million, or 6.1 per cent., decrease in the balance of plots of land held for sale as at 31 December 2022 compared to 31 December 2021 reflected more land being sold or transferred to development work in progress than was added to the portfolio.

Property, plant and equipment

As at 30 September 2024, the carrying value of the Group's property, plant and equipment amounted to AED 6,656 million, or 8.2 per cent. of its total assets. As at 31 December in each of 2023, 2022 and 2021, the carrying value of the Group's property, plant and equipment amounted to AED 6,513 million, or 8.9 per cent. of its total assets, AED 5,607 million, or 9.2 per cent. of its total assets and AED 3,557 million, or 7.2 per cent. of its total assets, respectively.

The Group's property, plant and equipment principally comprises land and buildings, mainly its hotel and leisure properties and owned education properties. The Group's land and buildings classified as property, plant and equipment had a carrying value of AED 5,593 million, equal to 85.9 per cent. of the carrying value of its property, plant and equipment, as at 31 December 2023, AED 5,116 million, equal to 91.2 per cent. of the carrying value of its property, plant and equipment, as at 31 December 2022 and AED 3,246 million, equal to 91.2 per cent. of the carrying value of its property, plant and equipment, as at 31 December 2021.

The AED 477 million, or 9.3 per cent., increase in the carrying value of the Group's land and buildings as at 31 December 2023 compared to 31 December 2022 principally reflected the acquisitions of Virginia and Kent in August and September 2023, respectively.

The AED 1,870 million, or 57.6 per cent., increase in the carrying value of the Group's land and buildings as at 31 December 2022 compared to 31 December 2021 principally reflected the acquisition of two hotels in Ras Al Khaimah and a third hotel, Nurai Island Hotel, in a single transaction and Al Shohub in the third quarter of 2022 and June 2022, respectively.

As at 31 December 2023, the Group conducted a sensitivity analysis for all its hotel properties classified under property, plant and equipment. The sensitivity was conducted on the revenue per available room (**RevPAR**), occupancy, discount rate and exit yield. Based on this sensitivity analysis:

- a decrease in the discount rates and exit yields by 50 basis points would have resulted in an AED 191 million, or 4.2 per cent., increase in the recoverable value, whilst an increase in the discount rates and exit yields by 50 basis points would have resulted in an AED 363 million, or 8.1 per cent., decrease in the recoverable value;
- an increase in the RevPAR by 5 per cent. would have resulted in an AED 155 million, or 3.4 per cent., increase in the recoverable value, whilst a decrease in the RevPAR by 5 per cent. would have resulted in an AED 549 million, or 12.2 per cent., decrease in the recoverable value; and
- an increase in occupancy by 5 per cent. would have resulted in an AED 198 million, or 4.4 per cent., increase in the recoverable value, whilst a decrease in occupancy by 5 per cent. would have resulted in an AED 592 million, or 13.1 per cent., decrease in the recoverable value.

Liabilities

The Group's principal liabilities are its borrowings in the form of bank borrowings and non-convertible sukuk which, together, amounted to AED 15,396 million, equal to 38.5 per cent. of the Group's total liabilities as at 30 September 2024 and are described under "*Liquidity and capital resources—Borrowings*" above. As at 30 September 2024, the Group also had AED 14,072 million in trade and other payables and AED 6,821 million in contract liabilities, representing 35.2 per cent. and 17.0 per cent., respectively, of the Group's total liabilities as at 30 September 2024.

Trade and other payables

As at 30 September 2024, the Group's trade and other payables amounted to AED 14,072 million, or 35.2 per cent. of its total liabilities.

The Group's trade and other payables principally comprise its accrual for contractors' costs, unpaid land acquisition costs (in the form of a payable to a government authority for purchase of land which relates to three plots of land in Egypt and amounts payable to other land acquisition creditors) and trade payables, which together represented AED 9,538 million, or 67.8 per cent., of its trade and other payables as at 30 September 2024, AED 9,860 million, or 75.8 per cent. of its trade and other payables as at 31 December 2023, AED 8,305 million, or 78.9 per cent. of its trade and other payables as at 31 December 2022 and AED 6,532 million, or 72.4 per cent. of its trade and other payables as at 31 December 2021.

The table below summarises the Group's trade and other payables as at 30 September 2024 and as at 31 December in each of 2023, 2022 and 2021.

	As at 30 September	As at 31 December		
	2024	2023	2022	2021
			(AED thousand)	
Accrual for contractors' costs	4,171,978	3,840,837 ⁽¹⁾	5,621,893	4,012,825
Payable to a government authority for the purchase of land				
.....	469,953	695,829	778,469	1,219,260
Other land acquisition creditors and payable.....	3,225,323	3,602,076	189,727	302,884
Trade payables.....	1,670,502	1,721,104	1,715,099	997,488
Other.....	4,534,184	3,140,842 ⁽¹⁾	2,216,626	2,489,092
	14,071,940	13,000,728⁽¹⁾	10,521,895	9,021,549

Notes:

(1) These figures have been derived from the 2023 Financial Statements. In the Interim Financial Statements, the Group reclassified certain of the underlying figures as at 31 December 2023.

The Group's accrual for contractors' costs represents accruals against work done by contractors on development projects based on the progress of the development.

The significant increase in the Group's other land acquisition creditors and payable in 2023 related to acquisitions of new plots of land in Abu Dhabi and Dubai.

Contract liabilities

As at 30 September 2024, the Group's contract liabilities amounted to AED 6,821 million, or 17.0 per cent. of its total liabilities.

The Group's contract liabilities represent deferred revenue arising from construction contracts and property development under off-plan sales projects. These contracts have performance obligations (unsatisfied or partially unsatisfied) which are expected to be recognised as revenue over the remaining tenor of these contracts. Where payments from customers are received in advance of the associated performance obligations being met and therefore revenue being recognised in the consolidated

statement of profit or loss, contract liabilities are recognised and these include buyer deposits. The majority of the amount allocated to remaining performance obligations is expected to be recognised as revenue within the next two years with the remaining amount expected to be recognised within five years.

CONTINGENCIES AND COMMITMENTS

The Group's contingencies and commitments include its capital commitments, operating lease commitments and contingent obligations under letters of credit and bank guarantees

Capital commitments

As at 30 September 2024 and 31 December in each of 2023, 2022 and 2021, the Group's contracted but not yet incurred capital expenditure amounted to AED 25,630 million, AED 17,847 million, AED 21,557 million and AED 11,144 million, respectively.

The table below summarises the Group's contracted but not yet incurred capital expenditure as at 30 September 2024 and as at 31 December in each of 2023, 2022 and 2021.

	As at 30 September	As at 31 December		
	2024	2023	2022	2021
		<i>(AED thousand)</i>		
Projects under development	18,079,414	11,033,316	5,678,563	1,814,665
Projects under management.....	6,178,242	6,528,144	15,783,285	9,235,913
Others	1,372,271	285,216	95,633	93,446
	25,629,927	17,846,676	21,557,481	11,144,024

The AED 7,783 million, or 43.6 per cent., increase in the Group's contracted but not yet incurred capital expenditure as at 30 September 2024 compared to 31 December 2023 principally reflected an increase of AED 7,046 million, or 63.9 per cent., in projects under development which was driven by the award of contracts for new projects.

The AED 3,711 million, or 17.2 per cent., decrease in the Group's contracted but not yet incurred capital expenditure as at 31 December 2023 compared to 31 December 2022 principally reflected an AED 9,255 million, or 58.6 per cent., decrease in contracted but not yet incurred capital expenditure related to projects under management (see below) which was partly offset by an AED 5,355 million, or 94.3 per cent., increase in contracted but not yet incurred capital expenditure related to projects under development which was driven by the award of contracts for new projects.

The AED 10,413 million, or 93.4 per cent., increase in the Group's contracted but not yet incurred capital expenditure as at 31 December 2022 compared to 31 December 2021 principally reflected an AED 6,547 million, or 70.9 per cent., increase in contracted but not yet incurred capital expenditure related to projects under management and an AED 3,864 million, or 212.9 per cent., increase in contracted but not yet incurred capital expenditure related to projects under development which was driven by the award of contracts for new projects.

Projects under management represents remaining contractual amounts relating to projects managed by the Group, of which the related agreements with contractors were entered by and continued to be under the name of the Group on behalf of the Government. Almost all the amounts relate to commitments of Aldar Projects which will be funded in advance by the Government.

No assurance can be given as to the actual amounts of capital expenditure that may be incurred in future periods. The timing and amount of capital expenditure is highly dependent on market conditions, the

progress of projects, new opportunities that may arise and a range of other factors outside the Group's control.

Operating lease commitments

As lessee, the Group's lease liabilities as at 30 September 2024 amounted to AED 1,938 million, of which AED 101 million, or 5.2 per cent., was due within one year, AED 324 million, or 16.7 per cent., was due in the second to fifth years and AED 1,513 million, or 78.1 per cent., was due after five years.

Contingent liabilities

As at 30 September 2024, the Group's contingent liabilities under letters of credit and performance bonds issued by it amounted to AED 4,136 million and its contingent liabilities under bank guarantees for land purchase issued by it amounted to AED 3,215 million.

RELATED PARTY TRANSACTIONS

The Group's principal related party transactions are with its direct and indirect shareholders, its associates and joint ventures and its directors and executive management and entities controlled by any of them. These transactions are described in note 26 to the Interim Financial Information and in note 38 to each of the Annual Financial Statements.

DISCLOSURES ABOUT FINANCIAL INSTRUMENTS

The Group is exposed to risks relating to its financial instruments and takes steps to mitigate certain of these risks as described in note 40 to the 2023 Financial Statements.

DESCRIPTION OF THE GROUP

OVERVIEW

The Group is a leading real estate developer, manager and investor in the UAE with a diversified and sustainable operating model centred around two businesses:

- **Aldar Development**, which operates through three divisions (i) property development and sales, its core UAE residential build-to-sell business, (ii) project management services which manages Government housing and infrastructure projects in the UAE and (iii) international, which comprises the activities of SODIC in Egypt and LSQ in the UK; and
- **Aldar Investment**, which operates through five segments (i) investment properties, which manages the Group's retail, residential, commercial and logistics investment property portfolio, (ii) hospitality and leisure, which manages the Group's hotels, golf clubs, marinas and other leisure assets, (iii) Aldar Education, which owns and operates 12 schools and manages 19 schools in the UAE as at 30 September 2024, (iv) Aldar Estates, which undertakes the Group's facility management, property management, integrated community services and valuation and advisory businesses across the UAE and in Egypt, Oman and Saudi Arabia and (v) others, which manages the Group's private credit and alternative real estate financial investments and includes Pivot and the Group's cloud business.

On a consolidated basis, the Group is the leading listed property developer and real estate asset manager in Abu Dhabi in terms of total assets. The Issuer is 25.12 per cent. owned by companies owned by Mubadala. The Group continues to be an important strategic partner to the Government, having completed a wide variety of large-scale infrastructure projects and developments, including key infrastructure on Yas Island, Al Raha Beach and Reem Island, the World Trade Centre mixed-use development, the Ferrari World theme park, the Yas Waterworld Park, Yas Marina and Yas Marina Circuit. The Group had a backlog of Government projects with a total value of AED 76 billion as at 30 September 2024.

As at 30 September 2024, the Group's total assets amounted to AED 80,953 million. In 2023, the Group's revenue and rental income was AED 14,161 million and its profit for the year after tax was AED 4,416 million. The Group's Adjusted EBITDA was AED 4,455 million in 2023.

HISTORY

The establishment of the Issuer was approved by Decision No. (16) of 2004 of the Abu Dhabi Department of Planning and Economy dated 12 October 2004 and its incorporation was declared by Ministerial Resolution No. (59) of 2005 issued by the UAE Minister of Economy dated 23 February 2005. Aldar's commercial licence number is CN-1003168.

The Issuer was listed on the Abu Dhabi Securities Exchange in 2005 to undertake development projects primarily in Abu Dhabi. In June 2013, the Issuer merged with Sorouh Real Estate PJSC resulting in net assets acquired of AED 8.4 billion and a gain on acquisition of AED 2.6 billion.

In 2018, the Issuer acquired a portfolio of real estate assets and operating businesses from Tourism Development & Investment Company P.J.S.C (**TDIC**), for total consideration of AED 3,625 million, resulting in a gain of AED 132.8 million. The assets and operating businesses acquired were involved in the hospitality, retail, residential, district cooling, education and infrastructure development businesses. This transaction facilitated the Issuer's entry into Saadiyat Island, which is also home to the Louvre Abu Dhabi, and crucially provided the Issuer with exposure to an investment zone in Abu Dhabi.

In May 2018, AIP was established as part of a corporate reorganisation undertaken by the Issuer to improve its corporate and capital structure and develop an entity with a focused platform for its real estate investments.

In December 2021, a consortium comprising the Issuer (70 per cent. ownership) and ADQ (30 per cent. ownership) acquired approximately 85.52 per cent. of the outstanding share capital of SODIC following a successful mandatory tender offer. The consortium's objective is to advance SODIC's position as a leading national developer by scale and reputation, growing its portfolio of mixed-use residential communities in Greater Cairo, the North Coast and other major markets in Egypt.

In August 2022, Apollo Global Management acquired an 11.87 per cent. indirect minority shareholding in AIP for U.S.\$400 million. In addition, AIP issued U.S.\$500 million Reset Subordinated Perpetual Notes to Apollo Global Management. The Notes are classified as a hybrid equity instrument in line with the requirements of IAS 32. In addition, Aldar entered into a 20-year deferred land sale and purchase agreement under which the cash flow rights over 2.6 million m2 of land was transferred to a restricted scope subsidiary in which an Apollo Global Management group company acquired a 49 per cent. interest for U.S.\$500 million.

On 2 February 2023, the Issuer and Dubai Holding established a joint venture to develop living experiences across prime locations in Dubai. The agreement marked the Issuer's entry into Dubai's real estate market, as part of its broader expansion into new markets.

In December 2023, in the Issuer's first international acquisition outside the MENA region, it acquired all the shares of LSQ, which is headquartered in London.

In October 2024, the Group and Mubadala announced an agreement to create four joint ventures, as discussed under "*Financial review—Recent developments—Agreement with Mubadala*".

STRATEGY

The Issuer's vision is for the Group to become a leading regional real estate developer and manager that creates memorable experiences and value for its customers and shareholders and its mission is to place its customers first by embedding sustainability, quality, technology and innovation in everything it does.

The Group has three strategic objectives, which are to maximise shareholder value; grow profits and enhance margins; and expand and drive sustainable growth. For example, in each of 2021, 2022 and 2023, the Group delivered increased revenue, gross profit and net profit and maintained a strong balance sheet with significant undrawn facilities and liquidity.

The Group's three strategic objectives are underpinned by four strategic themes:

- operational excellence;
- customer centricity;
- growth and expansion; and
- people, innovation and digital transformation.

Operational excellence

The Group is committed to delivering high quality projects, on time and within budget, to maximise the potential of its assets, whilst creating synergies through strategic investments, optimising operations and embedding environmental and quality considerations across all aspects of the business.

Since 2021 and following a shift in its business model, the Group has delivered efficiency improvements, unlocked value, synergies and alignment through its acquisitions and organic growth and continued to invest in sustainability projects. It has also delivered increased residential unit sales across multiple completed projects and maintained over 90 per cent. occupancy levels across its investment property portfolio.

During 2024, the Group:

- developed and launched new design and quality standards to enable standardisation, improve quality and enable new methods of construction delivery and identified key items to source strategically with the goal strengthening its supply chain, optimising delivery, improving costs and achieving extended warranties for its customers to enable its development growth plan for the next five years;
- continued to explore options to onboard new methods of construction delivery, such as modular, to increase speed, reduce cost and improve the quality of its developments and is currently revising contracts and new framework agreements to unlock more value for its customers; and
- improved its capital allocation framework and practices to enable deployment across sectors and geographies while managing its risks and returns profile.

Customer centricity

The Group prioritises customer engagement and exceptional experiences, fostering trust and engagement through unified marketing and loyalty programmes whilst integrating social and environmental sustainability into its core business practices.

Since 2021, the Group has engaged increasing numbers of customers across its portfolio (from 68,000 customers in 2021 to 104,000 in 2023) reflecting its commitment to understanding and catering to the needs of its customers, delivered improvements in its net promoter score on Group performance in each year compared to the previous year, increased membership in its Darna loyalty programme as well as the number of transactions, and invested in a range of ESG projects.

During 2024, the Group:

- mobilised a team with technological devices to identify and ensure resolution of quality issues prior to handover, enabled an end-to-end digital journey for customers receiving handover of their units and digitised the snagging and de-snagging process;
- developed and piloted a new approach towards community living and readiness experience based on hospitality standards;
- mobilised mystery auditors and customer experience professionals prior to community handover to ensure readiness of the community from services to amenities and way finding;
- improved cross selling by both offering customers products and services from across the Group to drive higher sales, enrolments and/or service packages and offering products from SODIC and LSQ to the UAE market and vice versa;
- improved sales from the Group's different sales operations in Abu Dhabi, Dubai and Ras Al Khaimah as well as its brokerage network, introduced wellness-focused developments (such as Verdes in Dubai) and expanded branded luxury living with Nobu and Nikki Beach partnerships; and
- expanded Aldar Estates' offerings with value-added services such as property management, landscaping and community events to enrich the customer experience.

Growth and expansion

The Group aims to explore and invest in regional and international expansion whilst growing its UAE portfolio in a sustainable and agile manner, in addition to actively engaging its key stakeholders and ensuring optimal asset utilisation to drive growth.

Since 2021, the Group's key growth and expansion achievements included the acquisitions of SODIC in Egypt and LSQ in the United Kingdom, numerous acquisitions in the UAE resulting in its entry into new sectors such as logistics, and the expansion of its existing portfolio across the commercial, retail, education and hospitality sectors, the AED 5.1 billion investment by Apollo Global Management in AIP, extending its geographic footprint in the UAE into Ras Al Khaimah in 2022 and Dubai and creating Aldar Estates, an integrated facility and property management company through the merger with Eltizam.

During 2024, the Group:

- partnered with DP World to develop Logistics Park in the National Industries Park in Jebel Ali and acquired new land in Abu Dhabi for logistics use;
- continued to design and award new commercial assets in Abu Dhabi and launch developments in Dubai while also announcing (i) plans to develop a Grade A office tower beside the Dubai International Financial Centre on Sheikh Zayed Road in Dubai and (ii) a 50:50 joint venture with Expo City Dubai to develop a major mixed-use residential, office and retail project comprising six buildings in an area close to Al Maktoum International Airport and the Dubai Exhibition Centre in Dubai;
- funded the growth plans for both SODIC and LSQ to deploy products in their home markets, including LSQ's acquisition of 10 new development sites in London in the first nine months of 2024;
- formed a private credit platform in partnership with Mubadala and Ares to target investments in the UK and EU; and
- successfully launched Noya school on Yas Island which achieved higher enrolments rate than expected and began implanting transformation programmes to provide world class education for the Group's current and prospective students.

In addition, on 25 September 2024, Aldar announced an AED 1.5 billion transformation programme in partnership with global luxury brands in relation to several hotels in its hospitality portfolio to capitalise on growth of the UAE's tourism sector and tap into the global luxury travel market and, in October 2024, the Group and Mubadala announced an agreement to create four significant joint ventures, each of which will be majority owned by the Group, to own and manage assets valued at more than AED 30 billion across Abu Dhabi, see "*Financial review—Recent developments*".

People, innovation and digital transformation

The Group aims to attract and maintain high performing talent; nurture an innovative and creative culture; and adopt disruptive technology. Its strategic objectives in this area include leveraging data for more informed decision making, deploying disruptive and leading technology in all aspects of the business, empowering and embedding innovation in all aspects of the business, and developing and engaging its people. In 2022, the Group introduced Digital Futures as a new function to ramp up and manage digital services investments such as metaverse solutions whilst leveraging DARI, a digital solution for all real estate requirements in Abu Dhabi, backed by the Abu Dhabi Department of Municipalities and Transport and launched a new sales platform combining the latest technologies to digitise the customer experience. In 2023, the Group invested in transforming its digital customer journey, digital backbone through leveraging artificial intelligence (AI) and its existing digital ventures and implemented multiple data projects in the field of risk management and AI.

In 2024, the Group:

- expanded its customer-facing platforms, integrating services such as online property tours, seamless booking and personalised dashboards, to enhance customer engagement and experience;

- commenced a long-term enterprise resource planning transformation across the Group to improve productivity and insights and enable agility and growth of the business;
- launched initiatives to digitise internal processes across departments, including smart technology integration for data-driven decision-making and efficiency improvements;
- integrated internal systems, connecting sales, operations and customer management for a streamlined digital ecosystem; and
- initiated an internal idea generation and sourcing initiative focused on elevating advanced technology within the Group and infusing transformational AI solutions across the Group while also continuing to source new technologies that add value and improve core operations; and
- introduced Aldar's new values and purpose in addition to a roadmap for a value-based employee recognition programme, fostering a cohesive and forward-thinking workplace culture embedded across teams and senior leadership.

STRENGTHS

The Issuer believes that the Group's principal strengths are:

Its strong relationship with the Government and its leading position in the Abu Dhabi real estate market

The Issuer was created in 2005 to play an integral role in the Government's development strategy for Abu Dhabi by undertaking development projects of a strategic nature in Abu Dhabi. The Government is indirectly one of the largest shareholders in, and is the largest single customer and a significant tenant and supporter of, the Group. As at 30 September 2024, 25.12 per cent. of the Issuer's shares were held indirectly by the Government and, in the nine months ended 30 September 2024, the Government accounted for 8.4 per cent. of the Group's revenue and rental income. The Group had a backlog of Government projects which had a total value of AED 76 billion as at 30 September 2024.

The Group's leading position in the Abu Dhabi real estate market is evidenced by:

- Aldar Development being the largest real estate developer in Abu Dhabi in terms of number of units sold, number of units delivered and revenue backlog in, and as at 31 December in, 2023;
- AIP being the leading investment property manager in Abu Dhabi in terms of the number of assets owned and managed across the retail, residential and commercial segments as at 31 December 2023;
- the Group being the third largest hospitality owner in the UAE by the number of keys as at 31 December 2023;
- Aldar Estates managing the largest integrated property and facilities management platform in the UAE, with a secured order book of approximately AED 2 billion across a diversified client base as at 31 December 2023; and
- Aldar Education being the second largest operator of private schools in the UAE by student numbers as at 31 December 2023,

in each case based on public disclosures by other companies engaged in similar businesses.

Its significant portfolio of recurring income assets and businesses which balances its real estate development business

The Group's rental income on investment properties, revenue from property and facilities management, revenue from hospitality and leisure and fee and related income from schools together amounted to

AED 5,374 million, or 37.9 per cent., of its total revenue and rental income in 2023, compared to AED 3,892 million, or 34.7 per cent. of its total revenue and rental income in 2022 and AED 3,125 million, or 36.4 per cent., of its total revenue and rental income in 2021. The Group believes that this revenue diversification helps to balance the more cyclical nature of its real estate development business.

Its large UAE land bank which allows it to avail market opportunities

As at 31 December 2023, the Group's UAE landbank area was 65.4 million m², of which 62.8 million m² was in Abu Dhabi and 2.6 million m² was in Dubai.

The Group's UAE landbank stretches across Abu Dhabi, including key destinations such as Yas Island, Shams, Saadiyat Island, Mina Zayed and Al Fahid Island. The Group also owns significant land in established locations on Abu Dhabi Island and in the broader Abu Dhabi mainland region, which includes Al Ghadeer on the border with Dubai. This diversified landbank allows the Group to offer a broad range of residential products through the real estate cycle, ranging from mid-market studio apartments to luxury palaces, catering to a wide segment of the market.

A resilient Abu Dhabi macro-economic backdrop and supportive real estate dynamics

Abu Dhabi is the richest and largest of the seven Emirates in the UAE and the city of Abu Dhabi is also the capital of the UAE federation. Abu Dhabi's economy is driven by its oil and gas production. As at 31 December 2022, the UAE had approximately 7.2 per cent. of OPEC's estimate for the world's total crude oil reserves and approximately 3.9 per cent. of OPEC's estimate for the world's total natural gas reserves. According to SCAD data, real GDP growth in Abu Dhabi was 3.4 per cent. in 2021, 9.2 per cent. in 2022 and 3.1 per cent. in 2023.

In 2021, the Abu Dhabi property market began to recover from the impact of the restrictions imposed to combat the COVID-19 pandemic and a significant periods of low oil prices in 2020. In 2022, JLL reported that Grade A office rents in Abu Dhabi had increased for the second consecutive year, residential property rents in Abu Dhabi had increased marginally (compared to a decline in the previous year) and retail rents in Abu Dhabi had stabilised after a number of years of declines. In 2023, JLL reported that continued growth was witnessed in the UAE real estate market across all the major asset classes, with residential developers continuing to launch new projects to meet growing demand from investors and the hospitality sector maintaining positive momentum throughout the year.

Its track record of maintaining a conservative financial profile, strong balance sheet and strong liquidity

As at 30 September 2024, the Group's AED 15,396 million debt was split between floating rate loans from commercial banks and fixed rate securities, with 54.5 per cent. of the Group's gross debt being in the form of floating rate loans and 45.5 per cent. being in the form of fixed rate sukuk issues maturing in September 2025, October 2029, May 2033 and May 2034, respectively. The Group intends to continue to maintain a prudent level of outstanding indebtedness and, as at 30 September 2024, the Group's outstanding debt had a weighted average maturity of 5.2 years.

As at 30 September 2024, the Group's total assets amounted to AED 80,953 million and its total equity amounted to AED 40,945 million. The ratio of the Group's debt (in the form of non-convertible sukuk and bank borrowings), which amounted to AED 15,396 million as at 30 September 2024, to its total assets was 19 per cent. and the ratio of its debt to its total equity was 38 per cent., in each case as at 30 September 2024. As at the same date, the Group's secured debt amounted to 0.3 per cent. of its total assets.

The Group's liquidity is supported by cash and bank balances which amounted to AED 13,292 million as at 30 September 2024, committed undrawn facilities which amounted to AED 8,424 million as at 30 September 2024 and strong cash flow generated from operating activities which amounted to AED 2,128 million in the nine months ended 30 September 2024 and AED 3,590 million in 2023.

SHAREHOLDERS

The Issuer's shares have been listed on the Abu Dhabi Securities Exchange (ADX) since April 2005. Pursuant to the rules of the ADX, the Issuer is required to disclose any interest in its shares of 3 per cent. or more. The table below sets out certain information with respect to the ownership of the Issuer's shares as at 30 September 2024 by persons or groups of affiliated persons known by the Issuer to own at least three per cent. of its shares.

Shareholder	Number of shares held	Percentage of shares held
Al Mamoura Diversified Global Holding Company.....	1,975,408,347	25.12
Sublime Commercial Investment One Person Company LLC	960,000,000	12.21
Sogno Three One Person Company LLC	625,293,766	7.95
Sogno Two One Person Company LLC	500,000,000	6.36

BUSINESSES

The Group has two principal businesses, Aldar Development and Aldar Investments. The table below shows certain information in relation to the Group's two principal businesses for 2023.

	Aldar Development	Aldar Investment	Unallocated/eliminations	Consolidated
2023				
		<i>(AED thousand)</i>		
Gross revenue.....	8,261,348	6,476,173	(576,583)	14,160,938
Gross profit.....	3,033,553	2,742,639	(202,819)	5,573,373
Profit for the year	2,652,783	2,001,884	(238,261)	4,416,406
				<i>(per cent.)</i>
Gross revenue.....	58.3	45.7	(4.1)	100.0
Gross profit.....	54.4	49.2	(3.6)	100.0
Profit for the year	60.1	45.3	(5.4)	100.0

The Aldar Development business

Aldar Development's core business is focused on off-plan residential property development through activation of its diverse landbank and is undertaken through its property development and sales division. In addition, through the project management and services division, Aldar Development mainly manages government housing and infrastructure projects in the UAE. The international division manages two recently acquired subsidiaries, SODIC in Egypt and LSQ in the United Kingdom.

The table below shows certain information in relation to Aldar Development's divisions for 2023.

	Property development and sales	Project management and services	International	Total Aldar Development
2023				
		<i>(AED thousand)</i>		
Gross revenue.....	5,789,706	1,208,405	1,263,237	8,261,348
Gross profit	2,177,531	512,505	343,517	3,033,553
Profit for the year	1,906,117	532,474	214,192	2,652,783
		<i>(per cent.)</i>		
Gross revenue.....	70.1	14.6	15.3	100.0
Gross profit	71.8	16.9	11.3	100.0
Profit for the year	71.9	20.1	8.1	100.0

The Group's original development business model stems from taking raw land, developing infrastructure, and creating a masterplan that sets out a clear vision for the destination. The Group's experience in creating Abu Dhabi's key destinations continues to be a driver of value generation and the group expects it to continue to serve the Group well in the future. In its role as a master developer, the Group is responsible for the long-term vision and development of strategic destinations that are instrumental in supporting the

future progression of Abu Dhabi. These destinations include Al Raha Beach, Al Reem Island, Saadiyat Island, Mina Zayed and Yas Island.

More recently, the Group has diversified geographically, including to other emirates in the UAE and internationally in Egypt and the United Kingdom.

Property development and sales

Land bank

The Group's UAE landbank is the foundation on which its business is built and ensuring that it is managed and developed optimally is critical to the Group's continued success. As at 31 December 2023, the Group's UAE landbank area was 65.4 million m², of which 62.8 million m² was in Abu Dhabi and 2.6 million m² was in Dubai.

The UAE landbank stretches across Abu Dhabi, including key destinations such as Yas Island, Shams, Saadiyat Island, Mina Zayed and Al Fahid Island. The Group also owns significant land in established locations on Abu Dhabi Island and in the broader Abu Dhabi mainland region, which includes Al Ghadeer on the border with Dubai.

This diversified landbank has allowed the Group to offer a broad range of residential products through the real estate cycle, ranging from mid-market studio apartments to luxury palaces, catering to a wide segment of the market.

Projects

Within Abu Dhabi, Aldar Development's current projects centre on Saadiyat Island, Yas Island, Al Reeman, Mina Zayed and Al Fahid Island. In addition, in 2023, Aldar Development launched its first projects outside Abu Dhabi, in Dubai and Ras Al Khaimah.

The table below shows Aldar Development's projects under construction as at 30 September 2024. All projects are in Abu Dhabi unless otherwise stated.

Project	Launch year	Total units	Units sold	Net sales value ⁽¹⁾	% completion	Revenue backlog ⁽²⁾	Completion date	Cash to be collected ⁽³⁾
			(per cent.)	(AED million)		(AED million)		(AED million)
Yas Acres-Magnolias	2021	312	100	1,213	89	130	Dec-24	661
Yas Acres-Dahlia	2021	140	100	581	83	98	Dec-24	331
Grove Heart	2022	612	100	1,119	75	279	May-25	677
Louvre Residences	2022	421	100	1,498	41	886	Mar-25	997
Fay Alreeman I	2022	554	99	2,075	72	521	Oct-25	1,432
Yas Golf Collection	2022	1,062	99	1,822	61	623	Mar-26	1,354
Yas Park Gate	2022	508	100	1,223	32	834	Feb-26	864
Yas Park Views	2022	341	100	1,325	28	953	May-26	976
Saadiyat Lagoons	2022	1,549	98	12,321	21	9,501	Sep-26	10,615
The Sustainable City	2023	864	100	1,961	53	928	April-26	1,467
Manarat Living I	2023	273	100	384	24	292	Feb-26	276
Al Reeman Living I	2023	630	100	417	40	250	Jan-26	299
Fay Alreeman II	2023	557	94	2,066	14	1,776	Jan-27	1,826
The Source I	2023	204	100	1,156	14	996	Sep-26	768
AlKaser	2023	10	100	244	33	163	Apr-26	182
Al Reeman Living II	2023	420	100	296	33	199	Jan-26	230
The Source II	2023	148	100	1,085	18	880	Nov-26	718
Gardenia Bay	2023	2,434 ⁽⁴⁾	80	2,562	6	2,526	Jun-27	2,182
Haven by Aldar ⁽⁵⁾	2023	1,228	83	4,227	Launched	4,219	Jan-28	3,677
Al Marjan ⁽⁶⁾	2023	1,998	70	3,225	Launched	3,190	Nov-27	2,822

Nobu Residences Abu Dhabi	2023	88	98	1,743	Launched	1,743	May-27	1,311
Manarat Living II	2024	232	100	425	Launched	425	Dec-26	337
Sama Yas ⁽⁷⁾	2024	234	56	312	Launched	298	Jun-27	273
Nouran Living	2024	372	98	631	Launched	628	Dec-27	548
The Source Terraces	2024	58	95	433	Launched	433	Dec-27	385
Athlon by Aldar ⁽⁵⁾	2024	1,492	90	4,652	Launched	4,554	Jun-28	4,184
Verdes by Haven ⁽⁵⁾	2024	1,047	57	922	Launched	761	Jul-28	838
The Arthouse	2024	281	82	1,422	Launched	1,280	May-28	1,277
Yas Riva	2024	147	80	1,304	Launched	1,151	May-28	1,238
		18,216		52,644		40,517		42,742

Notes:

- (1) Net sales value to all sales including approved pending sales and represents the unit price specified in the sale agreement after netting-off any rebates that have been contractually agreed.
- (2) Revenue backlog relates to all confirmed sales but excludes approved pending sales.
- (3) Cash to be collected refers to the amount of the contractually agreed sales price (including due instalments, future milestones and handover payments) that remains unsettled.
- (4) Only 2,005 units launched as at 30 September 2004.
- (5) Project in Dubai. In the case of Athlon by Aldar, only 1,207 units launched as at 30 September 2024.
- (6) Project in Ras Al Khaimah. Only 1,798 units launched as at 30 September 2024.
- (7) Only 157 units launched as at 30 September 2024.

Aldar Development's cash collected amounted to AED 6.5 billion in 2022, AED 6.2 billion in 2023 and AED 7.2 billion in the nine months ended 30 September 2024. The number of units sold by Aldar Development in 2022 was approximately 3,500, in 2023 was approximately 7,000 and, in the nine months ended 30 September 2024, was approximately 5,460. The number of units handed over by Aldar Development in 2022 was approximately 3,800, in 2023 was approximately 1,200 and, in the nine months ended 30 September 2024, was approximately 700.

Saadiyat Island

Saadiyat Island is a premier island destination comprising four main areas: Saadiyat Cultural District (home to the Louvre Abu Dhabi, the Zayed National Museum, the Natural History Museum Abu Dhabi and the Guggenheim Abu Dhabi, among other attractions); Saadiyat Beach District; Saadiyat Marina District; and Saadiyat Lagoons District. The island also hosts several world-class education institutions, including Cranleigh Abu Dhabi, Berklee Abu Dhabi, New York University Abu Dhabi and Redwood Nursery. It also has several five-star hotels, a beachfront, a golf course and a beach club, making the island one of Abu Dhabi's most prestigious locations.

As at 31 December 2023, Aldar Development had delivered 768 residential units in three projects on Saadiyat Island to customers and it had approximately 3,378 units across eight projects under development on Saadiyat Island as at the same date.

Yas Island

Yas Island is a world-class leisure and entertainment hub with a Formula 1 circuit, theme parks, golf courses, marinas, retail and concert arenas. Aldar Development's two most recent projects on Yas Island, both launched in 2023, are The Sustainable City and Gardenia Bay. Sustainable City is a sustainability-centric community in the heart of Yas Island offering a new way of life for residents. The family friendly development is a walkable community surrounded by open green spaces, leisurely walkways and shared farming plots. The project is underpinned by a central green spine that runs the length of the community, featuring parks lakes, and biodomes where vegetables will be grown and distributed throughout the community. Gardenia Bay features more than 2,400 waterfront residences complemented by wellness facilities and retail offerings within cycling distance of Yas Island's key attractions, including Yas Mall, Ferrari World Abu Dhabi and SeaWorld Abu Dhabi.

As at 31 December 2023, Aldar Development had delivered 4,211 residential units in five projects to customers and it had approximately 6,877 units across 11 projects under development on Yas Island as at the same date.

Al Reeman

Al Reeman consists of two large parcels of land in Al Shamkha, a rapidly developing area of Abu Dhabi close to flagship Group developments such as Motor World, Madinat Al Riyad, Baniyas, Abu Dhabi University, Shakhbout Medical City and Abu Dhabi International Airport.

As at 31 December 2023, Aldar Development had delivered 1,554 residential plots in two developments at Al Reeman to customers and it had approximately 2,161 units across four projects under development at Al Reeman as at the same date.

Mina Zayed

Mina Zayed is an urban regeneration project in which Aldar Development expects to develop prime land plots spanning a GFA of approximately 1.5 million m². The concept is for a seafront destination that encompasses tourist, residential, commercial, service and cultural facilities. The project is adjacent to a vibrant cultural hub and a logistics centre and forms an integral part of the Group's future development plans and reflects its commitment to develop key destinations that contribute to Abu Dhabi's long-term growth.

Al Fahid Island

Aldar Development acquired Al Fahid Island, an island of 3.4 million m² adjacent to the Sheikh Khalifa bin Zayed Highway that connects Yas Island and Saadiyat Island in 2023. Aldar Developments plans to develop around 4,000 homes, ranging from apartments and townhouses to ultra-luxury beach and mangrove villas on the island, which will also include community facilities, a school and retail and hospitality offerings.

Northern emirates

Whilst it remains firmly focused on its home market of Abu Dhabi, in February 2023 Aldar Development launched a partnership with Dubai Holding to develop three residential communities on 3.6 million m² of land in Dubai. These developments will encompass approximately 9,000 residential homes, with the first community, Haven, launched in November 2023 when all 786 villas and townhouses in the first two phases were sold during the month.

Aldar Development's first venture in Ras Al Khaimah comprises two luxury beachfront living developments on Al Marjan Island, Nikki Beach Residences and Rosso Bay Residences, with a total of 1,998 residential units.

UAE sales demographic

The sales demographic of Aldar Development's UAE projects comprises UAE-resident expatriate buyers (which accounted for 10 per cent. of net sales value in 2021, 12 per cent. in 2022, 38 per cent. in 2023 and 53 per cent. in the nine months ended 30 September 2024), UAE national buyers (which accounted for 79 per cent. of net sales value in 2021, 72 per cent. in 2022, 34 per cent. in 2023 and 24 per cent. in the nine months ended 30 September 2024) and overseas buyers (which accounted for 11 per cent. of net sales value in 2021, 16 per cent. in 2022, 28 per cent. in 2023 and 23 per cent. in the nine months ended 30 September 2024). These trends reflect structural and social reforms enacted during the COVID pandemic which drove a marked shift in sentiment towards the UAE as a primary and secondary home market, coupled with a growing influx of new millionaires and other high net worth individuals into the UAE and specifically into the domestic real estate market and increasing demand from non-resident foreign investors.

Project management services

The project management business takes projects from initial design through to completion, including carrying out feasibility studies, design and pre-construction work, master planning, construction and project and programme management.

In addition to overseeing the construction process for Aldar Development, Aldar Projects, the primary business within project management services, handles a portfolio for the Government, which includes comprehensive communities for Emirati housing projects. This involves managing everything from master planning to villa construction, strategic road projects, infrastructure development, and the creation of community facilities and civic buildings.

As at 31 December 2023, Aldar Projects was managing the development of 45,169 plots in 38 locations, 20,565 villas in 21 locations, 3,442 apartments in nine locations, 1,127 km of roads in 18 locations, 31 major interchanges in seven locations, 438 community facilities in 22 locations and approximately 500 km of cycle tracks.

Aldar Projects produced a strong performance in 2023, with its portfolio of Government projects expanding to 180 projects. The business was awarded 42 projects during the year, with a total value (determined as the amount the Government pays the Group for all aspects of project development including, but not limited to, contractors, consultants and development management) of AED 30.3 billion. Aldar Projects' backlog reached AED 82 billion as at 31 December 2023, of which AED 32 billion related to projects under construction.

The continued success of Aldar Projects is founded on three key strengths: deep market expertise as a leading real estate developer and manager; a long-standing and strategic private-public partnership; and a proven business model that combines operational excellence with sustainability and innovation. These critical components continue to drive growth, allowing Aldar Projects to deliver significant value across its stakeholder ecosystem.

International

The Group's Egypt business comprises its effective 59.9 per cent. investment in SODIC, one of Egypt's leading real estate companies. With over 25 years of developing award-winning, Class-A, large-scale, mixed-use communities in West Cairo, East Cairo and the North Coast, SODIC caters to Egypt's growing need for high-quality residential, commercial and retail property. Headquartered in Cairo and listed on the Egyptian stock exchange (EGX) under OCDI.CA, SODIC is one of the few non-family-owned companies traded on the EGX. SODIC has a strong and diversified project portfolio representing a sales backlog of AED 5.95 billion and 6.5 million m² of unlaunched land. In addition, SODIC had a 9.3 million m² land bank (representing a GFA of 2.6 million m²) as at 31 December 2023.

In 2023, SODIC delivered 1,427 units across its portfolio, with gross contracted sales, including clubs, reaching a record AED 3.6 billion.

In 2023, SODIC announced plans for a comprehensive expansion of the Nobu brand. Two new luxury hotels will be developed alongside two Nobu-branded residences and a Nobu restaurant at SODIC's West Cairo development, along with another on the North Coast. The Nobu Hotel and Residences Cairo in West Cairo will comprise 102 single family residences and apartments. SODIC's new North Coast development will feature a Nobu hotel and residences, comprising 70 branded single family and 130 serviced multiple family homes.

SODIC also expanded its landbank in 2023 with its acquisition of a 728,400 m² plot on the North Coast, directly south of its flagship project, Caesar. Located in Ras Al Hekma, Caesar is SODIC's maiden venture into coastal developments. To date, it has successfully delivered 350 homes. The new plot will be developed over five to eight years and will include a Nobu luxury hotel.

In the second half of 2023, the Group announced the acquisition of UK-based LSQ, its first acquisition outside the MENA region. LSQ is a leading residential and mixed-use developer operating mainly in Greater London. It has a diversified portfolio and is a registered provider of affordable housing.

The acquisition is aligned with the Group's strategic vision of expanding into key and mature international markets and is expected to accelerate its growth and diversify its revenue streams. The acquisition also provides strong opportunities for synergy creation, knowledge sharing, cross-border sales and investment flow, as well as elevating the Group's brand recognition internationally.

The Aldar Investment business

Aldar Investment manages recurring income-generating properties, a hospitality and leisure portfolio, a property and facilities management business, an education business and a portfolio of alternative real estate investments with more than AED 37 billion assets under management as at 31 December 2023. It comprises five segments:

- **Investment properties**, which includes prime investment properties in the retail, residential, commercial and logistics segments;
- **Hospitality and leisure**, which owns a portfolio of hotel and leisure assets located principally on Yas Island, Saadiyat Island and luxury beach-front hotels in Ras Al Khaimah;
- **Education**, which is the leading private education provider in Abu Dhabi;
- **Estates**, which is the largest integrated property and facilities management platform in the UAE by number of residential units and commercial and retail GLA under property management; and
- **Others**, which principally manages the Group's portfolio of alternative real estate investments.

The table below shows certain information in relation to Aldar Investments' segments for 2023.

2023	Investments	Hospitality and leisure	Education	Estates	Others	Total Aldar Investments
			<i>(AED thousand)</i>			
Gross revenue.....	2,138,680	1,116,189	686,579	1,740,876	793,849	6,476,173
Gross profit.....	1,644,528	385,487	290,954	370,212	51,458	2,742,639
Profit for the year ...	1,683,538	115,465	128,981	142,363	(68,463)	2,001,884
	<i>(per cent.)</i>					
Gross revenue.....	33.0	17.2	10.6	26.9	12.3	100.0
Gross profit.....	60.0	14.1	10.6	13.5	1.9	100.0
Profit for the year ...	84.1	5.8	6.4	7.1	(3.4)	100.0

Investment properties segment

Overview

The Investment properties segment principally comprises AIP's investment property management business. As at 31 December 2023, AIP owned and managed a portfolio of 35 retail investment properties, approximately 7,500 residential units in 13 separate developments, 14 commercial investment properties and three properties comprising warehouses, undeveloped industrial land and associated offices at Industrial City Abu Dhabi and a leased warehouse in Dubai with a view to maximising the income from, and optimising the value of, these assets.

AIP's strategy centres around maximising the performance and value of its portfolio of investment properties through proactive asset management, pursuing portfolio growth opportunities through acquisitions and, where appropriate, monetising lower yielding assets and reinvesting capital in higher

yielding assets and/or assets where AIP believes it can drive value creation through its asset management capabilities.

Portfolio

The table below summarises AIP's investment property portfolio as at 30 September 2024 and, in the case of revenue and gross profit, for the nine months ended 30 September 2024.

	No. of properties ⁽¹⁾	Total GLA (^{000m} ²)	Occupancy ⁽²⁾ (per cent.)	Fair value	Revenue ⁽³⁾ (AED million)	Gross profit
Retail	36	521	89	9,791	572	400
Residential	13	812	98	5,424	428	353
Commercial ⁽⁴⁾ ...	14	469	97	9,176	639	530
Logistics ⁽⁵⁾	3	216	94	915	56	48
Total	66	1,206	95	25,306	1,695	1,331

Notes:

- (1) In some cases, AIP owns an entire investment property. In others, it simply owns a proportion of the units within a property. In some cases, AIP only has leasehold title to a property.
- (2) Calculated as leased area divided by total available area as at 30 September 2024 and expressed as a percentage.
- (3) Revenue and rental income, including service charges.
- (4) Comprises office buildings and Repton School.
- (5) Comprises warehousing, undeveloped industrial land and offices.

AIP's 36 retail investment properties comprise Yas Mall, a super-regional mall on Yas Island and AIP's most significant retail investment property, Al Jimi mall, a destination mall in Al Ain, and community malls, community retail developments (which offer residents key amenities such as supermarkets, hairdressers, restaurants and dry cleaners) and two purpose-built big box retail stores (comprising an IKEA store and an ACE Hardware store) which it leases, principally under leases with terms ranging from three to 10 years. As at 30 September 2024, 36 per cent. of AIP's retail leases by GLA had total lease terms of over five years, 14 per cent. had total lease terms of between three and five years and 50 per cent. had total lease terms of three years or less. The weighted average unexpired lease term across AIP's retail portfolio was 3.8 years as at 30 September 2024.

AIP owns a total of approximately 7,500 residential units in 13 separate developments as at 30 September 2024. Its most significant residential investment properties include:

- *Al Rayyana*, a low-rise development of 33 buildings located adjacent to the Abu Dhabi National Golf Course, in which AIP owns on a freehold basis 1,537 residential apartments and retail facilities with a GLA of 212,466m²;
- *The Gate Towers & Arc*, a high-rise development located at Shams Abu Dhabi on Reem Island, in which AIP owns on a freehold basis 1,447 (out of a total of 3,533) residential units and two community malls.
- *Sun & Sky Towers*, which forms part of Shams Abu Dhabi on Reem Island, in which AIP owns on a freehold basis 69 (out of a total of 1,154) residential units and a community mall.
- *Etihad Plaza* (for residential use) and *Etihad Airways Centre* (for office use), which have 789 residential units, 85,895m² GLA of commercial office space and 11,000m² GLA of retail space, all of which is owned by AIP on a freehold basis.
- *The Bridges*, which is a tower located on Reem Island with a total of 636 residential units, all of which are owned by AIP on a freehold basis.

As at 30 September 2023, 22 per cent. of AIP's residential leases by number of units had terms of more than three years and 78 per cent. had terms of less than three years, primarily reflecting one-year rolling

individual tenant lease contracts. The weighted average unexpired lease term across AIP's residential portfolio was 2.5 years as at 30 September 2024.

AIP owns commercial space in 14 separate developments (predominantly Grade A office space) which it leases, principally on three- to 20-year leases. AIP's major commercial investment properties are ADGM Towers, which are Abu Dhabi's pre-eminent commercial office buildings and are situated in the Abu Dhabi Global Market, an international financial centre, HQ Building, which is an iconic circular building on the Al Raha Beach development and is primarily leased to Federal and Government departments, International Tower, which is a Grade A office building in the Capital Gate district, and Daman House, which is a Grade B+ office building in the Capital Gate district. The weighted average unexpired lease term across AIP's commercial portfolio was 3.8 years as at 30 September 2024. AIP also owns, and includes within its commercial portfolio, the Repton School with 20,068m² of GLA, which is leased to the operator under a 20-year lease expiring in 2037.

AIP's logistics investment properties are principally held by Twafq, in which AIP owns 70 per cent. of the share capital. Twafq owns 132,000m² of warehousing, undeveloped industrial land plots and three office buildings in Industrial City Abu Dhabi with a total GLA of 165,506m² and a leasehold interest in a warehouse in Dubai. In January 2024, the Group announced a further AED 1 billion investment to expand the logistics platform. Marking its first logistics acquisition in Dubai, the Group acquired seven central logistics hubs and an adjacent plot, which, once developed, will almost double the current GLA of 19,000 m². The facility is strategically positioned in one of Dubai's most established industrial areas, Dubai Investments Park. The investment programme also includes a further 233,000m² of new Grade A facilities across the UAE. This includes single tenanted facilities and logistics parks in Dubai, totalling 200,000m² GLA that will be developed in partnership with established logistics real estate entities, and a 33,000m² GLA expansion of the Twafq facility. The weighted average unexpired lease term across AIP's logistics portfolio was 4.0 years as at 30 September 2024.

Investment property portfolio management

AIP's investment property portfolio management activities comprise the full suite of the real estate asset management lifecycle including asset positioning, revenue and cost optimisation, pricing strategy, asset performance monitoring, analysing assets for investment and divestiture as well as oversight of leasing, property management and facilities management. AIP has approximately 78 employees across various disciplines (including, without limitation, investments, portfolio management, retail, legal, finance and development management). Each asset is assigned to a senior asset director within the relevant team who has principal responsibility for the management of the asset.

AIP takes a "cradle to grave" view on each asset with the objective of optimising value, generating synergies and cross-selling opportunities within the portfolio. A robust leasing strategy focused on long-term revenue maximisation is supported by data centric monitoring to mitigate risk and find innovative sources of additional revenue and cost rationalisations.

AIP measures every service provider engaged with an asset against the highest industry standards and is continuously looking to implement best in class practices across operations, customer service and revenue collection. Asset performance is continuously scrutinised for improvements and against market benchmarks.

Through continuous monitoring of the portfolio, AIP makes informed decisions on divestitures of assets which may no longer be a good fit, allowing it to recycle capital effectively. In addition, AIP's standing in the sector gives it significant visibility on new deals in the market, allowing it to analyse and selectively deploy capital on new acquisitions.

Property purchases and sales

AIP's strategy includes pursuing portfolio growth opportunities through the acquisition of new assets. Whilst AIP's strategy is predominantly focused around growth, AIP will also assess opportunities to recycle capital through the sale of lower yielding assets and reinvesting the capital received in higher

yielding assets and/or assets where AIP believes it can drive value creation. AIP's strata monetisation programme, which is a programme to sell residential units to recycle capital, achieve portfolio optimisation and diversification and divest from residential buildings in which AIP does not own all the units, reflects this approach.

Hospitality and leisure segment

The Group is the third largest hospitality owner in the UAE by number of keys as at 30 September 2024. The portfolio includes 13 hotels having a combined 4,226 rooms and suites, with a range of offerings across the five-, four- and three-star categories, as well as golf clubs and other leisure assets, including beach clubs and marina facilities. Five hotels and one serviced apartment are managed by reputable hospitality operators whilst another five hotels and one serviced apartment are operated through franchise agreements with world-class operators. One hotel is self-managed.

The hospitality and leisure segment owns a portfolio of hotel and leisure assets located principally on Yas Island and Saadiyat Island, and two luxury beach-front hotels in Ras Al Khaimah and one hotel on Nurai Island. This portfolio provides exposure to a key theme in the UAE's economic diversification strategy and the country's development as a premier business and lifestyle centre. The Group's broad approach is to own assets in prime destinations in the UAE and contract management to leading hospitality operators.

The Group is the third largest hospitality owner in the UAE by the number of keys. As at 31 December 2023, 52 per cent. of the portfolio by keys was five-star, 33 per cent. was four-star, 11 per cent. was three-star and 4 per cent. was serviced apartments. The hospitality and leisure portfolio also includes Our leisure portfolio includes two championship golf courses, one country club with nine holes, three marinas with 701 berths, a beach club, and three managed beaches. In 2023, room rates and food and beverage services generated 85 per cent. of hospitality and leisure revenue, with leisure generating 8 per cent. and other sources making up the remaining 7 per cent.

Education segment

Aldar Investments' Education segment comprises Aldar Education, which is a leading private education provider in Abu Dhabi, with 11 owned and operated schools, and four ADNOC schools, 11 charter schools and five schools under the Emirates School Establishment (each of which it manages) in its portfolio as at 31 December 2023. The schools provide British, International Baccalaureate (IB) and American curricula adapted for the UAE and Aldar Education is the second largest operator of private schools in the UAE by student numbers.

Aldar Education is pursuing a strategy for accelerated growth by means of an AED 1.35 billion investment plan through development of 'greenfield' schools as well as acquisitions. The strategy aims to build scale, enhance facilities and diversify geographically. In 2023, Aldar Education acquired Virginia International Private School in Abu Dhabi and also expanded beyond the UAE capital, through the acquisition of Kent College Dubai. Aldar Education is continuing to expand in Abu Dhabi through the establishment of Noya British Academy, Yasmina British Academy and a new school on Saadiyat Island.

Estates segment

Aldar Investments' Estates segment comprises Aldar Estates, which provides a range of property and facilities management services through others companies owned by it, including:

- Provis, a property management business which undertakes sales and leasing, property management, consultancy services, and valuation advisory, amongst others and FAB Properties (acquired in 2023) and is a leading UAE-based provider of property management and related services and the exclusive property management partner for First Abu Dhabi Bank. Together, these companies manage more than 150,000 residential units across the UAE, 681,000m² of commercial assets and over 604,000m² of retail GLA;

- Khidmah, a full-service facility management solutions provider focused on domestic, commercial and retail facility management solutions with over 410,500 team members across the UAE; and
- Basatin (acquired in 2023) which is a leading landscaping services provider with a wide range of landscaping services, including design, installation, paving, gardening and green waste disposal and whose clients include the Department of Municipalities and Transport and Expo 2020.

In 2023, Aldar Estates merged with Eltizam Asset Management Group, a property and facilities management services company that was jointly owned by International Holding Company (**IHC**) and ADNEC Group. As a result, Aldar Estates now manages the largest integrated property and facilities management platform in the UAE, with a secured order book of approximately AED 2 billion across a diversified client base as at 31 December 2023.

The enlarged Aldar Estates, which is 65.1 per cent. owned by the Group and 34.9 per cent. held in equal part by IHC and ADNEC, has been reorganised into four main verticals: Property Management; Facilities Management; Integrated Community Services; and Valuation and Advisory.

Others segment

The Group's strategy to accelerate growth includes achieving limited exposure to mature markets outside its home region to diversify revenue streams and create synergies with the business in the UAE. A key area of focus is high-growth alternative real estate asset classes. In December 2023, the Group announced a partnership with Mubadala and Ares Management to jointly invest U.S.\$1 billion in private real estate credit opportunities in the United Kingdom and Europe over the next three to five years. The new platform is 50 per cent. owned by Mubadala, 30 per cent. by the Issuer and the remaining 20 per cent. by Ares, and the Group will commit a minimum of U.S.\$400 million to the overall strategy, of which U.S.\$135 million had been deployed as at 30 September 2024. This includes an investment of U.S.\$100 million (of which U.S.\$9 million had been deployed as at 30 September 2024) into an existing European private real estate credit strategy first established by Mubadala and Ares in 2021 which focuses on senior secured debt with a first lien on physical real estate assets, including office, multi-family residential, industrial, retail and hospitality.

In early 2024, the Group announced an AED 407 million investment in logistics and storage assets in Europe through a partnership with global investment firm, Carlyle. The agreement saw the Issuer become a strategic investor in the Carlyle Europe Realty (**CER**) platform, Carlyle's pan-European real estate strategy, in addition to taking a majority stake in a co-investment platform, which includes an income-producing logistics portfolio of 14 fully occupied warehouses with substantial reversion potential located across key logistics hubs in the UK. The Issuer has also invested alongside Carlyle and other investors into a portfolio of self-storage facilities and development sites in Western Europe. The Group's commitment to the logistics portfolio is U.S.\$56 million (of which U.S.\$47 million had been deployed as at 30 September 2024) and its commitment to the self-storage platform is U.S.\$50 million (of which U.S.\$27 million had been deployed as at 30 September 2024). Within the logistics and self-storage investments, the Group will leverage its development and asset management expertise to help shape the portfolios, and the partnership model will pave the way for the Group to gain further exposure to the segment alongside Carlyle.

COMPETITION

The Group is Abu Dhabi's largest real estate developer in terms of both the number of ongoing projects and the size of its land bank. In its Aldar development business, the Group competes for customers with other major property development companies offering residential properties comparable to those offered by the Group. In addition, the Group also competes to source appropriate land plots on which to construct its projects.

In its international development activities, the Group principally competes with other major property developers both in terms of securing land for development and in selling completed residential units.

In its Aldar Investments business, Aldar Investments is the largest real estate management company in Abu Dhabi in terms of total assets managed and faces competition across its investment properties and other businesses.

In the retail sector, Aldar Investments principally faces competition from other established regional malls when seeking to attract tenants to its shopping centres. With the opening or extensions of new shopping malls (such as the extension of the super-regional Galleria Mall which opened in September 2019 and Reem Mall which partially opened in 2023 and fully opened in May 2024) this competition has increased and will continue to increase. Retailers make their real estate selection decision based on a variety of factors, including footfall, quality of merchandise mix, relevance to catchment characteristics and occupancy cost burden. Aldar Investments seeks to make its retail investment properties attractive to potential tenants through active management, relevant merchandising strategies, robust marketing and communications strategies, and appropriate enhancement programmes.

Aldar Investments' commercial, residential and logistics investment properties compete with other similar properties located in Abu Dhabi to attract tenants. Any oversupply of competing commercial, residential and logistics properties in Abu Dhabi, whether due to new developments, a decrease in the number of tenants or other occupants due to a decline in economic activity or an increase in remote working, may adversely affect Aldar Investments' rental income. Landlords of commercial, residential and logistics properties compete to attract tenants based upon rental rates, operating costs, location, condition, and features of the property. If competing properties have lower rents, lower operating costs, more favourable locations or better facilities, Aldar Investments' ability to attract tenants and the rental rates that it can charge at its commercial, residential and logistics investment properties may be adversely affected.

Aldar Investments' property management, hospitality and leisure and schools businesses all also operate in a competitive environment.

RISK MANAGEMENT

The Group has an established enterprise risk management (**ERM**) function to ensure effective management of risks that have the potential to hinder it from achieving its strategic objectives. A dedicated ERM team is responsible for helping the business units to identify and assess risks utilising a standardised enterprise-wide methodology, and subsequently put in place control plans for existing and emerging risks. The ERM team regularly conducts comprehensive reviews of best practices and benchmarks against other companies in the market to ensure its risk management processes are relevant and aligned with best-in-class practices.

A bottom-up approach is principally used for risks identified at a business unit level, whilst enterprise-wide risks rely on a top-down approach, synergising between operational expertise and strategic input. The areas of focus comprise organisation-wide ground risks as well as long-term emerging risks identified through horizon scanning. Through the development of the Group's risk appetite pertaining to each of its risk categories, standardised risk ratings are calculated based on the likelihood and impact attributed to the risk, at both inherent and residual levels. The enterprise-wide methodology enables the Group to evaluate and prioritise identified risks based on the relevant risk appetite.

Pre-defined criteria and mandates guide the escalation mechanism for identified risks and mitigation plans to different hierarchical committees. The ERM team continuously monitors, liaises, and follows up with risk owners on agreed mitigation plans until the risk level falls below the approved risk appetite of that relevant category. Risks that fall above the approved risk appetite are escalated for management decision on whether to eliminate, transfer, accept or address accordingly. Risk assessments and analysis of risk exposure occur on a continuous as well as on an as needs basis, whilst top risks are reported to

management on a quarterly basis. The ERM process is audited by the internal audit team to ensure it remains compliant with international standards and best practices.

The ERM team is also responsible for business continuity management, which aims at ensuring the Group's ability to continue to deliver its operations at pre-defined acceptable levels following a disruptive incident. Business continuity plans are developed for identified time critical processes, which include personnel, facility, technology and third-party requirements.

The Group's ERM framework is linked and adapted to its business operating model, using the widely accepted Committee of Sponsoring Organisations (COSO) ERM framework as its foundation.

The Group's six principal risks are:

- market cyclicity, which relates to the Group's ability to respond effectively to changing local and regional market conditions and which it seeks to mitigate principally by regular strategic reviews undertaken by the Board and detailed risk treatment plans;
- its geographic concentration on Abu Dhabi which it seeks to mitigate principally by entering joint ventures within the wider UAE, GCC and international markets, implementing its international expansion plans, developing regional and international sales and marketing capabilities to expand its investor pool, and targeting investments in alternative asset classes;
- its ability to attract and retain a talented pool of employees with the right skills and experience which it seeks to mitigate principally through its long-term incentive programme for critical personnel, succession planning and career path programmes for high-potential personnel, annual employee satisfaction surveys to identify areas for improvement, and exit interviews to identify critical areas of improvement for people and performance policies and practices.
- failure to achieve its sustainability/ESG strategic objectives which it seeks to mitigate principally by establishing the appropriate governance across the Group, allocating the right level of resources, and taking proactive measures whilst developing a Group understanding of key ESG risks through numerous detailed treatment plans, see "*Sustainability*" below;
- serious health and safety incidents which it seeks to mitigate principally through its integrated health and safety strategy and implementation plan, see "*—Health and safety*" below; and
- information systems and cyber threats which it seeks to mitigate principally through its detailed IT- and compliance-related policies and controls, see "*Information technology*" below.

HEALTH AND SAFETY

The Group is committed to providing a safe working environment and achieving continuous improvements in occupational health and safety by protecting employees, visitors and all who work on its behalf from workplace injury and illness. To this end, the Group has an established integrated health and safety strategy and implementation plan, which encompasses the following components:

- an occupational safety and health (**OSH**) management system framework that has been implemented across all projects, accompanied by project specific OSH plans and procedures based on the scope and nature of activities;
- all project-involved stakeholders, principally project management consultants, other consultants and principal contractors, must be registered with the Abu Dhabi Public Health Centre and have obtained all required authority permits. They must also adhere to the Group's OSH policy and standards and conduct hazard identification and risk management to prevent or reduce the risk of an incident in line with legal requirements;

- monthly OSH statistics are produced and reviewed to monitor performance and trends across individual projects and the portfolio of assets, develop lessons learnt and analyse trends to ensure and promote safest practices;
- proactive integration between the Group's OSH and project teams for effective implementation of the OSH proactive monitoring programmes, including internal and external OSH audits, OSH committee meetings and periodic inspections;
- raising staff awareness by conducting periodic OSH training and campaign programmes for each project, updating and communicating the Group's OSH management system and regulatory requirements, maintaining an OSH legal compliance register, maintaining the risk register, issuing OSH alerts and circulars to foster a positive safety culture and striving towards continuous improvements;
- monitoring and assessing contractors and partners on worker welfare practices including practices on site, accommodation facilities and transportation arrangements; and
- identifying and managing employee grievances through the implementation of mechanisms such as the worker welfare mobile application.

The table below shows the Group's Lost Time Incident Frequency Rate (**LTIFR**) per million hours worked and its Total Recordable Incident Rate (**TRIR**) (calculated as the sum of fatalities, permanent total disabilities, permanent partial disabilities, lost workday cases, restricted work cases and medical treatment cases) per million hours worked for each of 2023, 2022 and 2021.

	2023	2022	2021
LTIFR.....	0.0	0.03	0.03
TRIR.....	0.03	0.04	0.06

SUSTAINABILITY

The Group's overarching sustainability strategy, which also encompasses its disciplined approach to risk management and governance, is reflected in a strong improvement in its ESG ratings from external rating agencies. In 2023, it achieved 47 points on the Dow Jones Sustainability Index, maintaining its top spot in the GCC and within the top quartile of the 299 global real estate companies assessed. It also maintained a low-risk score of 15.9 on the Sustainalytics Risk Index and continued to hold its BBB MSCI Inc. ESG rating.

The Group's significant ESG achievements in 2023 included:

- environmental initiatives such as the launch of its net zero plan (which is discussed below), investing an additional AED 49 million in its energy management project covering hotels, commercial, retail and residential buildings, announcing a partnership to supply 34 megawatts of solar power to 45 properties across the UAE, reducing 23,000 tonnes of CO² emissions and launching Ecoloop, a joint venture to eliminate landfill and food waste across the Group's owned and managed assets in Abu Dhabi. Ecoloop targets the elimination of approximately 32,500 tonnes of CO² emissions annually;
- social initiatives such as the second cycle of the Thrive Scholarship Programme, breaking down educational barriers for low-income families, launching the Group's Inclusion Roadmap, which aims for full inclusivity by 2030, and 3,000 hours dedicated to volunteering activities and supporting two humanitarian campaigns in partnership with Emirates Red Crescent; and
- governance initiative such as finalising the ESG risk register and mitigation actions and progressing the assessment of ESG risks for segments, subsidiaries and assets, reviewing and publishing 19 ESG-related policies on its website, and establishing sustainability teams across several subsidiaries, with dedicated sustainability managers.

In 2023, the Group introduced its updated sustainability framework which aims to create a business culture where sustainability is at the heart of everything it does, and where the concept of sustainability informs the way it operates, collaborates, innovates and grows. To deliver its ambitious sustainability agenda, the Group aims to tackle the issues its customers and stakeholders care about under three sustainable objectives:

Creating sustainable places

In 2023, the Group launched its science-aligned Net Zero Plan, underlining its commitment to sustainability and ambition to decarbonise its value chain from design and construction to property management and acquisitions. This plan outlines its targets and the actions that it will take, with the goal of achieving net zero emissions across all scopes by 2050. The targets and plan are aligned to the Science Based Targets Initiative (SBTi) Corporate Standard. The plan will be put into action through eight net zero levers:

- **low carbon design:** a sustainable design standard to embed low carbon active and passive design options, thereby maximising energy efficiency, building performance and asset climate resilience;
- **low carbon supply chain:** a supply chain incentivised to innovate around low carbon products, materials and manufacturing processes;
- **green construction:** a whole lifecycle approach to assets that prioritises low carbon site practices and construction material procurement;
- **clean energy:** prioritise the use of clean energy through grid decarbonisation and procuring clean energy generated by Government instruments;
- **resource efficiency and management:** upgrading current systems to reduce leakage and improve asset efficiency in use;
- **tenant initiatives:** developing a programme of tenant engagement regarding all leased and managed assets, offering guidance and incentives for more sustainable behaviours;
- **circular economy:** better waste management during design, build and use phase, prioritising diversion from landfill, increasing greywater recycling and supporting the local waste sector; and
- **sustainable acquisitions:** all new investments and acquisitions will be guided by criteria that formally integrate sustainability considerations into the end-to-end investment decision making process.

Creating societal value

Social value creation sits alongside the Group's environmental and net zero actions as an integral part of its wider commitment to create spaces and communities that enhance the quality of life for its customers. Through its diversified business functions, the Group builds and operates sustainable spaces that are inclusive and support the mental and physical wellbeing of those who live there or visit. The Group's community outreach activities are directed by its three focus areas:

- **live**, which is its pledge to integrate its positive social impact strategy across its communities and beyond, ensuring access to housing and safety, cultivating happy and healthy communities and facilitating access to quality education;
- **belong**, which is its dedication to crafting an inclusive and accessible economy that celebrates diversity, advocates for inclusion and nurtures a sense of belonging;

- **sustain**, where its objective is to construct communities that are both resilient and innovative, employing solutions that align with the dynamic ecosystem of the UAE, contributing to the country's transition into a knowledge-based society and promoting emiratization in its workforce.

Creating a responsible legacy

Creating a responsible legacy is central to the Group's goal of long-term business development, net zero alignment and the creation of societal value. Its approach to strong governance is fuelled by comprehensive ESG due diligence tools, risk management frameworks and clear leadership from the top that supports its centralised sustainability approach. The Group strives to be an employer of choice that attracts and retains high-performing people who contribute to its growing business. Diversity, development, collaboration and ambition are the core values and are reflected throughout the business starting with its leadership positions. Its wide-ranging talent development and training programmes support the career progression of all its employees. It maintains high occupational health and safety standards for its employees and wider workforce, which requires rigorous training and robust policies alongside informed engagement with its contractors and supply chain to ensure a safe working environment for everyone.

ICV

Aldar Projects is committed to contributing to the UAE In-Country Value (ICV) Programme, a national initiative for companies to invest in the UAE which contributes to the increase of employment opportunities for UAE nationals, and business opportunities for these companies.

Its focus on sourcing local materials, embedding local sourcing capabilities into Government projects and increasing employment opportunities to UAE nationals enabled Aldar Projects to increase its ICV score from 57 per cent. in 2017 to 65 per cent. in 2023, one of the highest in the UAE's real estate sector. All of Aldar Projects' awarded contractors have an ICV certificate and it has developed an ICV incentive programme aimed at encouraging its suppliers to increase their ICV scores through local sourcing including materials.

Many of Aldar Projects' suppliers are micro-, small-, and medium-sized enterprises (MSMEs). These are the backbone of the UAE economy and an important engine for economic growth and the promotion of equitable development. In line with Government priorities in this area, Aldar Projects has developed an MSME strategy that sets out its commitment to growing its local supplier base and increasing the pool of local service providers it works with, as part of its efforts to support local communities and drive the economic development of Abu Dhabi.

INSURANCE

The Group pursues a risk-based approach to devise and implement its insurance strategy and the insurance it obtains covers all its group companies. The Group's main corporate property all risk insurance programme covers reinstatement of operational assets and indemnity for losses arising due to machinery break down and business interruption and is tailored to suit the requirements of the insured entities.

The Group also has in place third party liability policies with indemnity appropriate to the activities of the insured entities, as well as fraud protection and director and officers' liability policies. The Group carefully selects its insurance and reinsurance partners for its insurance programme and relies on professional services of reputable international insurance brokers for advising on insurance matters and brokering.

INFORMATION TECHNOLOGY

The Group seeks to ensure that the IT systems and software of all of its group companies meet the requirements of the relevant company's business, are effectively maintained and are kept up to date.

The Group has invested in advanced hardware and network infrastructure with two main data centres and all offices are connected through a high-capacity secure multiprotocol label switching network.

The Group continues to assess and strengthen the security and compliance readiness of its IT function. For example:

- it has a comprehensive information security policies framework robust security architecture and up-to-date security technologies to prevent cyber threats and detect security incidents;
- its IT risk management framework and all policies are aligned with COBIT (Control Objectives for Information and related Technologies), ISO 27001, which recognises the existence of systems and processes to protect corporate and client information assets and which is reinforced through annual audits, and NIST (National Institute of Standards and Technology);
- it uses AI and machine learning (**ML**) deployed on user endpoints and networks to detect and neutralise sophisticated threats, its email security controls have been enhanced by the introduction of AI and ML and other specific tools to detect cyber threats and anomalies based on AI and ML without human intervention have been deployed;
- a vulnerability management programme is in place to identify and mitigate system weaknesses from a hacker's perspective;
- it uses a range of tools to protect its authentication framework and safeguard its and its customers data; and
- Domain Name System (**DNS**) security controls are in place to proactively identify, block and mitigate targeted threats that exploit the DNS.

The Group also has a 24/7 security operations centre to monitor and respond to security alerts, uses breach and attack simulation tools to proactively test defences against real-world threat scenarios and ensures that surveillance audits are conducted by its auditors annually. In addition, a Group-wide mandatory security awareness training programme is in place.

The Group has in place a disaster recovery (**DR**) system which includes a DR data centre that accommodates most business-critical systems, including enterprise resource planning, file server, email system, document control, intranet, email archiving system and other databases, with DR tests being conducted on a yearly basis.

MANAGEMENT AND EMPLOYEES

BOARD

The role of the Board is to supervise the Group's business and affairs as carried out by its management. The Board is responsible for the effectiveness of the governance framework and supervising the executive management and controls applied. The Board has delegated some of its powers to its committees which are discussed below and operate in accordance with the charters and regulations adopted by the Board.

The Board has delegated the daily management of the Group's business to the Chief Executive Officer (CEO) for a renewable period of three years in accordance with a delegation of authority. This delegation is subject to periodic review to ensure balance and appropriateness between the level of control, risk management and work requirements within the Group, and to ensure it is updated in line with the developments and changes that occur in the Group's business activities and operations.

The Chairman of the Board is responsible for leading the Board and ensuring that it performs its responsibilities and duties effectively. The Chairman of the Board is also a key link between the Board and the executive management and works continuously with the executive management.

The Board held seven meetings in 2023 and five meetings in 2024.

The Board currently comprises the seven non-executive members set out in the table below.

Member	Position	Independent	Year of first appointment
H.E. Mohamed Khalifa Al Mubarak.....	Chairman	Yes	2017
Mr. Waleed Ahmed Salem Almokarrab Al Muhairi.....	First Vice-Chairman	Yes	2016
H.E. Mohamed Hassan Al Suwaidi	Second Vice-Chairman	Yes	2022
Mr. Khalifa Abdulla Khamis Al Romaithi.....	Director	Yes	2021
Mr. Hamad Salem Mohamed Al Ameri.....	Director	No	2015
Mr. Ali Saeed Abdulla Sulayem Al Falasi.....	Director	No	2013
Mrs Sofia Abdellatif Lasky.....	Director	Yes	2022

Brief biographical details of each member of the Board are set out below:

H.E. Mohamed Khalifa Al Mubarak, Chairman

H.E. Mohamed Al Mubarak has more than 17 years' business and management experience covering real estate and construction, banking, finance and insurance, media, government and public sector and risk management. He is a member of the Executive Council of Abu Dhabi, overseeing some of the Emirate's most significant institutions across the culture, tourism, media, entertainment and real estate sectors. He plays a critical role in driving Abu Dhabi's growth as a sustainable, diversified and globally-integrated economy.

H.E. Al Mubarak was appointed as the Chairman of the Department of Culture and Tourism - Abu Dhabi in 2015, where he oversees the cultural development of the Emirate and its promotion as a global destination, through the integration of tourism regulations and the active engagement of local, regional and international audiences.

H.E. Al Mubarak is also the Chairman of Miral Asset Management, Abu Dhabi's media freezone and content creation hub, which encompasses broadcast, publishing, music, digital media and gaming, and Image Nation Abu Dhabi, a film production and media company.

H.E. Al Mubarak is Vice-Chair on the Foundation Board of ALIPH, the International Alliance for the Protection of Heritage in conflict areas, a member of the Higher Committee of Human Fraternity, which supports and spreads the values of mutual respect and peaceful coexistence and a board member of the Emirates Schools Establishment, an independent federal entity with a mandate to manage and operate public schools.

H.E. Al Mubarak is a graduate of Northeastern University (Boston, USA), with a double major in Economics and Political Science.

Mr. Waleed Ahmed Almokarrab Al Muhairi, First Vice-Chairman

Mr. Waleed Ahmed Almokarrab Al Muhairi Mubarak has more than 21 years' business and management experience covering real estate and construction, oil and utilities, banking, finance and insurance, telecommunications, healthcare and pharmaceuticals, media, government and public sector and risk management. He serves as Mubadala's Deputy Group Chief Executive Officer and has strategic oversight of its broad investment portfolio and special projects at the group level. He is also a member of the investment committee, which is mandated to develop Mubadala's investment policies, establish investment guidelines, and review proposed projects and investments to ensure they are in line with business objectives. Mr. Al Muhairi is also the Chairman of Mubadala's investment and business planning committee and has oversight of the company's Real Estate & Infrastructure Investments and Diversified Investments platforms.

Mr. Al Muhairi serves as Chairman of Waha Capital, Mubadala Capital, M42, the Global Institute for Disease Elimination (GLIDE) and the US-UAE Business Council. In addition, he is a member of the Board of Trustees of Cleveland Clinic in the United States and Chairman of Cleveland Clinic in Abu Dhabi. He is also a board member of First Abu Dhabi Bank, Hub71, Ellipses Pharma Limited, Abu Dhabi Investment Council, Investcorp and Noon.com.

H.E. Al Muhairi holds a Master's degree in Public Policy from Harvard University (USA) and a Bachelor of Science degree in Foreign Service from Georgetown University (USA).

H.E. Mohamed Hassan Al Suwaidi, Second Vice-Chairman

H.E. Mohamed Hassan Al Suwaidi is the Minister of Investment of the UAE and also serves as the Managing Director and Chief Executive Officer of ADQ, an Abu Dhabi-based investment and holding company. His Excellency holds the position of Chairman of Abu Dhabi National Energy Company (TAQA) and AD Ports Group. In addition, His Excellency is also a board member of the Emirates Investment Authority, the Abu Dhabi Pension Fund, Advanced Technology Research Council, Emirates Nuclear Energy Corporation and Al Dahra Holding.

H.E. Al Suwaidi holds a Bachelor's degree in Accounting from UAE University (UAE).

Khalifa Abdulla Khamis Al Romaithi, Member

Mr. Khalifa Al Romaithi is an Executive Director leading the UAE Real Estate unit at Mubadala Investment Company. In his role, Mr. Al Romaithi is responsible for a number of UAE real estate assets including Al Maryah Island, Galleria Mall, and Masdar City.

Mr. Al Romaithi has 22 years of experience across real estate, transportation, infrastructure, energy and insurance sectors. He is a board member of Masdar City, Chairman of the Board of Directors of Emirates Driving Company PJSC and board member in Abu Dhabi National Takaful Co. PJSC (Takaful).

Mr. Al Romaithi holds a Bachelor's degree in Business Administration with a major in Finance from the University of Portland (USA).

Hamad Salem Mohamed Al Ameri, Member

Engineer Hamad Al Ameri is the Managing Director and Group CEO of Alpha Dhabi Holding PJSC, an Abu Dhabi based investment holding company with more than 250 businesses spread across healthcare, renewable energy, petrochemical, real estate, construction and hospitality.

A recognised and accomplished business leader in the UAE, Eng. Al Ameri has spearheaded the rapid and comprehensive transformation of Alpha Dhabi Holding since being appointed Group CEO in 2021. Under his leadership, Alpha Dhabi has grown into a globally engaged investor in emerging businesses and future sectors as well as a catalyst of the UAE's economic growth and diversification.

Eng. Al Ameri also holds key positions in other prominent listed companies in the UAE. He is the Chairman of Abu Dhabi National Hotels Company PJSC, Vice Chairman of National Marine Dredging Company, a Board Member of the Issuer, Pure Health Holding PJSC and ADC Acquisition Corporation PJSC. He is also the Chairman of ADMO Lifestyle Holding and a Board Member of OCI Methanol Group and Mawarid Holding Investment.

Eng. Al Ameri holds an MBA from the Canadian University in Dubai and a Bachelor's degree in Civil Engineering from the American University in Dubai.

Ali Saeed Abdulla Sulayem Al Falasi, Member

Mr. Ali Saeed Abdulla Bin Sulayem has served as the Chief Executive Officer of Hydra Village Properties since 2024. Prior to this role, he was the CEO of Hydra Properties from 2009 to 2024.

Mr. Al Falasi has previously held the position of Under-Secretary of Operations for the Private Department of Sheikh Zayed Bin Sultan Al Nahyan, where he was responsible for overseeing all departmental operations. In addition to his role at Hydra Village Properties, he holds board memberships at Risco LLC, Sorouh Real Estate PJSC and The International Commercial Bank. He is also involved in other companies within the industrial, real estate, finance, and trading sectors. Mr. Al Falasi is a member of the Audit Committee for the Royal Group, Vice Chairman of ESG Emirates Stallions Group and Chairman of the Audit Committee at ESG Emirates Stallions Group.

Mr. Sulayem holds a Master's degree in Business Administration from the University of Sharjah (UAE), a Bachelor's degree in Production and Operations Management from California State University (USA) and a Bachelor's degree in Accounting from UAE University (UAE).

Sofia Abdellatif Lasky, Member

Mrs. Sofia Lasky has been with IHC since April 2020 and gained experience in asset management, mergers and acquisitions, private equity, portfolio management, alternative investments, funds, valuation, financing, capital markets and corporate structuring through her 18-year tenure at Royal Group. She has overseen the acquisition of numerous companies in a variety of core industries, including real estate, contracting, food processing, preventive healthcare, and capital investments.

Mrs Lasky is a Board Member of Alpha Dhabi Holding, National Corporation for Tourism & Hotels and the Issuer. She has also served as a Board Member of Macquarie Capital Middle East LLC.

Mrs. Lasky holds a bachelor's degree in Management Information Technology from the United Kingdom.

BOARD COMMITTEES

The Board has three committees, each of which has a charter that defines its objectives, responsibilities, structure, framework and reporting mechanism.

Executive committee

The Executive Committee provides assurance and control in relation to the Group's strategy and sets priorities related to projects and performance. The Executive Committee comprises three non-executive members, all of whom are independent.

The members of the Executive Committee are H.E. Mohamed Khalifa Al Mubarak (Chair), H.E. Waleed Ahmed Salem Almokarrab Al Muhairi and H.E. Mohamed Hassan Al Suwaidi. The Executive Committee held six meetings in 2023.

Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee (**ARCC**) assists the Board in fulfilling its responsibilities in relation to risk management, internal control systems, accounting business policies, financial reporting, and internal and external audit functions. The ARCC comprises three non-executive members, two of whom are independent. The ARCC charter requires that all members are knowledgeable in financial aspects, and that at least one of the members has experience in accounting and finance.

The members of the ARCC are Sofia Abdellatif Lasky (Chair), Ali Saeed Abdulla Sulayem Al Falasi and Khalifa Abdulla Khamis Al Romaithi. The ARCC held eight meetings in 2023.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (**NRC**) reports to the Board on human resources management, culture, performance and compensation policies that reflect best practices. It also provides recommendations regarding succession plans for Board positions. The NRC comprises three non-executive members, two of whom are independent.

The members of the NRC are Martin Lee Edelman (Chair), Sofia Abdellatif Lasky and Hamad Salem Mohamed Al Ameri. The NRC held two meetings in 2023.

Mr. Edelman, who is not a Board member, is on the board of Blackstone Mortgage Trust, Advanced Micro Devices, Inc. and Equity Commonwealth Trust. Mr. Edelman concentrates his practice on large complex international real estate developments, corporate mergers and acquisitions transactions. He is an advisor to Grove Real Estate Partners, The Related Companies and Mubadala. He is also on the boards of the Jackie Robinson Foundation, The Intrepid Fallen Heroes Fund, the Fisher House Foundation and the Tribeca Film Institute and Festival. Mr. Edelman holds a BA in Politics from Princeton University and a Law Degree from Columbia University (USA).

EXECUTIVE MANAGEMENT

The executive management team works in accordance with the powers specified by the Board and within the approved strategic plan. They are responsible for managing the Group's daily operations and basic business matters, in line with the framework of the Group's strategic plan.

The table below shows the members of the executive management team and the date they joined the Group.

Name	Title	Date of joining the Group
Talal Al Dhiyebi	Group CEO	15 April 2006
Faisal Falaknaz	Group Chief Financial and Sustainability Officer	3 August 2020
Jassem Saleh Busaibe	CEO – Aldar Investment	17 April 2016
Jonathan Emery	CEO – Aldar Development	1 November 2020

Bayan Al Hosani
Emma O'Brien

Chief People and Communications Officer
General Counsel

22 October 2005
17 August 2014

Brief biographical details of each member of the executive management team are set out below:

Talal Al Dhiyebi, Group CEO

Mr. Al Dhiyebi joined the Group in 2006. He serves on the boards of numerous companies, including Abu Dhabi Transport Company, Abu Dhabi Chamber of Commerce and Industry, Abu Dhabi Motorsports Management, Sorbonne University Abu Dhabi, Miral Asset Management, Sandooq Al Watan, the UAE's national fund focused on social contribution, and Edamah, the real estate arm of Bahrain Mumtalakat Holding Company. He is also Chairman of a number of Group businesses, including Aldar Estates, SODIC and London Square, and is Vice-Chairman of Aldar Education.

Mr. Al Dhiyebi holds a Bachelor's degree in Electrical Engineering (Honours) from the University of Melbourne (Australia).

Faisal Falaknaz, Group Chief Financial and Sustainability Officer

Mr. Falaknaz joined the Group in August 2020. He is responsible for a broad remit that covers finance, corporate finance, investor relations, treasury, group digital services and sustainability. Prior to his current role, Mr. Falaknaz served as the Chief Financial Officer of the Aldar Investment business.

Mr. Falaknaz has held several senior roles working for sovereign wealth funds and public companies such as Mubadala (as Vice President of Global Real Estate Investments) and Emaar Properties.

He holds a Master of Business Administration from The Wharton School of the University of Pennsylvania (USA), as well as a Bachelor of Science in Finance from the American University of Sharjah (UAE). Faisal is also a CFA charter holder.

Jassem Saleh Busaibe, Chief Executive Officer – Aldar Investment

Mr. Busaibe joined the Group in April 2016. He has over 15 years' experience in the fields of finance and investment, having held a number of roles at private and public companies in Abu Dhabi. Before joining the Group, his previous roles were Chief Financial Officer of General Holding Corporation (Senaat), Chief Executive Officer of Arady Properties, an investment company focused on the private equity and real estate sectors in the GCC, Senior Vice President of Private Equities at Invest AD, an Abu Dhabi-based investment company, and Portfolio Manager at Abu Dhabi Investment Authority (ADIA), where he focused on European equities.

Mr. Busaibe is a CFA Charter holder and holds a Master's degree in Finance from the London Business School (UK).

Jonathan Emery, Chief Executive Officer – Aldar Development

Mr. Emery joined the Group in November 2020.

Throughout his more than 30 years in the global real estate industry, he has held senior positions at leading developers including Managing Director for the United Kingdom at Hammerson, Managing Director of Development and Communities at Majid Al Futtaim and most recently at Lendlease, a multinational construction, property and infrastructure company, where he was both CEO of the firm's global residential practice and Managing Director of Property for Europe, and prior to that he was their Managing Director of Development for Australia.

Mr. Emery is a graduate of Nottingham Trent University in the United Kingdom, with a range of further qualifications from Henley Management College, Harvard (USA), INSEAD (France) and has been a visiting professor at Yale University (USA).

Bayan Al Hosani, Chief People and Communications Officer

Ms. Al Hosani joined the Group in October 2005 where she is responsible for leading the talent agenda and advancing the marketing and communications strategy.

Ms. Al Hosani started her career with the Group and is the first female member of the executive management team. In 2019, she was appointed Executive Director of People, Culture & Performance, focusing on creating and maintaining a positive and productive workplace culture supporting the Group's business strategy.

Ms. Al Hosani serves as a member of the boards of Aldar Education and Musanada.

Ms Al Hosani is a Graduate of Business Administration from the Higher Colleges of Technology (UAE) and is a certified professional from the Chartered Institute of Personnel and Development (CIPD).

Emma O'Brien, General Counsel

Ms. O'Brien joined the Group in August 2014. She was appointed General Counsel in January 2021. Prior to joining the Group, she worked in private practice in a number of law firms, both in London and Abu Dhabi, and advised on a range of transactions including mergers and acquisitions, international arbitrations, public private partnerships and major development projects.

Ms. O'Brien holds a BA (Hons) from the University of Birmingham (UK) and is a Solicitor of the Senior Courts of England and Wales.

MANAGEMENT COMMITTEES

The Group has three management committees, each of which has a charter that determines its members and how they are appointed, their powers, responsibilities and functions, the requirements for preparation of reports and periodic evaluation of performance.

Executive Management Committee

The Executive Management Committee (**EMC**) is chaired by the CEO and its membership includes other executive management team members. The EMC holds its meetings on a weekly basis and more frequently when necessary. The EMC is responsible for ensuring that the Group's practices, business and operational activities are in accordance with the charters and policies decided by the Board, and that they are exercised and carried out in a manner that is in the interest of all relevant parties, including customers, shareholders, investors, suppliers and employees. The EMC monitors the performance of the various departments within the Group and is also responsible for the Group's business plan, vision, values and objectives, strategy, initiatives, key performance indicators and business environment plans, as well as its human resources needs, privileges, allowances and incentives. The EMC is also responsible for the investment control process and issues recommendations related to acquisitions and other investment opportunities.

Tender Committee

There are two Tender Committees:

- Tender Committee (A), which is chaired by the CEO and its membership includes other members of the executive management team and heads of departments and divisions of the Group.
- Tender Committee (B), which is chaired by the Group General Counsel and its membership includes other members of the executive management team and heads of departments and sections of the Group.

Both Tender Committees hold their meetings on a weekly basis and more frequently when necessary. Each considers the activities and practices related to development contracts, procurement, service providers and bidders, and makes recommendations regarding the award of tenders and the assignment of work related to the management of development projects, asset management and institutional contracts, in accordance with the limits, controls and standards established in their charters.

Investment Committee

The Investment Committee is chaired by the CEO and its membership includes other members of executive management team. The Investment Committee holds its meetings on a weekly basis and more frequently when necessary. The Investment Committee reviews, approves and/or recommends (in accordance with relevant Delegations of Authority) matters related to the investment control process, strategic opportunities and investments and cash liquidity.

Business address and conflicts

The business address of each member of the Board is Aldar Square, Yas Island, Abu Dhabi, UAE. The members of the Board are subject to fiduciary duties under UAE laws which regulate conflicts of interest as well as corporate conflicts of interest policies. In addition, all investment decisions are required to adhere to asset management investment policies designed to ensure transactions are done on an arm's-length basis. On this basis, potential conflicts of interest between the duties of the members of the Board to the Group and their private interests or other duties are appropriately mitigated.

EMPLOYEES

As at 31 December 2023, women represented 39 per cent. of the Issuer's direct employees and held 26 per cent. of senior and middle management positions and 42 per cent. of the Issuer's direct employees were UAE nationals.

The Group's strategy to ensure that it attracts and retains a talented pool of employees with the right skills and experience includes:

- a long-term incentive programme to assist in the retention of critical personnel;
- succession planning and career path programmes for high-potential personnel;
- an organisation-wide employee satisfaction survey conducted annually to identify areas for improvement;
- exit interviews to identify critical areas of improvement for people and performance policies and practices; and
- proactively identifying employee satisfaction parameters by conducting an annual survey to identify potential gaps.

The Group has a Code of Business Conduct that applies to the Board and all employees. In line with this code, the Group has developed a disclosure policy for employees, enhancing its commitment to ensure that employees are able to disclose their fears and concerns about any inappropriate conduct without being subjected to persecution, harassment or discrimination, as well as to ensure confidentiality of investigations.

OVERVIEW OF THE UAE AND ABU DHABI

THE UAE

The UAE is a federation of seven Emirates. Formerly known as the Trucial States, they were a British protectorate until they achieved independence in December 1971 and merged to form the UAE. Each Emirate has a local government headed by the Ruler of the Emirate. There is a federal government which is headed by the President. The federal budget is principally funded by Abu Dhabi.

The federation is governed by the Supreme Council of the Rulers which consists of the Rulers of the seven Emirates. The Supreme Council elects from its own membership the President and the Vice President (for renewable five-year terms). H.H. Sheikh Zayed bin Sultan Al Nahyan, the late Ruler of Abu Dhabi, held the position of President from 1971 until his death in November 2004. Following his death, his son H.H. Sheikh Khalifa bin Zayed Al Nahyan took over as Ruler of Abu Dhabi and President of the UAE until his death in May 2022. The current Ruler of Abu Dhabi and President of the UAE is Mohammed bin Zayed Al Nahyan.

Based on IMF data from its October 2024 World Economic Outlook database, in 2023 the UAE was the second largest economy in the Middle East and Central Asian region based on nominal GDP in U.S. dollars after Saudi Arabia. Based on SCAD data, real GDP growth the Abu Dhabi was 3.4 per cent. in 2021, 9.2 per cent. in 2022 and 3.1 per cent. in 2023.

The UAE generally enjoys good relations with the other states in the GCC, although the UAE, along with Saudi Arabia, Bahrain and certain other countries, applied sanctions to Qatar between mid-2017 and January 2021. The UAE also has a longstanding territorial dispute with Iran over three islands in the Gulf. From 2015 to July 2019, the UAE was a member of a military force led by the Kingdom of Saudi Arabia (and supported by the United States of America) to support the internationally recognised government in Yemen against an insurgency led by Houthi tribesmen. After having successfully accomplished its objectives, the UAE withdrew its troops from Yemen in July 2019.

ABU DHABI

Abu Dhabi is the richest and largest of the seven Emirates and the city of Abu Dhabi is also the capital of the UAE federation.

Reserves

The UAE has the world's fifth largest proven crude oil and seventh largest proven natural gas reserves according to OPEC data as at 31 December 2023. As at the same date, OPEC estimated the UAE's crude oil reserves to be 113,000 million barrels, equal to 7.2 per cent. of OPEC's estimate for the world's total proven crude oil reserves, and its natural gas reserves to be 8,210 billion standard cubic metres (or approximately 290 trillion standard cubic feet (SCF)), equal to 4.0 per cent. of OPEC's estimate for the world's total natural gas reserves.

Abu Dhabi's crude oil reserves represent approximately 95 per cent. of the UAE's total crude oil reserves, giving it reserves of approximately 108 billion barrels. At the current Field Sustainable Oil Production Rate, Abu Dhabi's oil reserves are expected to last in excess of 80 years. In terms of production capacity, Abu Dhabi's onshore facilities currently exceed its offshore facilities.

Population

The populations of both the UAE and Abu Dhabi have grown significantly since 1975, reflecting an influx of foreign labour, principally from Asia, as the Emirates have developed.

The table below illustrates this growth since 1985, using census data for each of 1985, 1995, 2005 and 2023.

Population of Abu Dhabi and the UAE

	1985	1995	2005	2016	2023
Abu Dhabi population	566,036	942,463	1,399,484	2,908,173 ⁽¹⁾	3,789,860
Total UAE population	1,379,303	2,411,041	4,106,427	9,131,839 ⁽²⁾	10,678,556 ⁽³⁾

Notes:

⁽¹⁾ SCAD estimates as at 30 June 2016.

⁽²⁾ FCSC estimate as at 31 December 2016.

⁽³⁾ Preliminary FCSC data.

Sources: SCAD (Abu Dhabi population figures) and FCSC (UAE population figures).

As at 30 June 2016 and based on SCAD estimates, Abu Dhabi had a predominantly young population with 0.9 per cent. being 65 and over and 16.6 per cent. being under the age of 15. The historic annual average growth rate of the population between 2010 and 2016 was 5.6 per cent., with the population of UAE citizens living in Abu Dhabi growing at an annual average rate of 3.9 per cent. and the non-national population growing at an annual average rate of 6.0 per cent. over the period. The population mix as at 30 June 2016 comprised 19.0 per cent. UAE nationals and 81.0 per cent. non-nationals. The majority of the non-national population is male (with a ratio of 2.01 males to 1 female as at 30 June 2016), reflecting the fact that the population principally comprises male migrant workers.

Education and training are an important strategic focus for the Emirate. Based on the latest available SCAD data, the literacy level at age 10 and over was 93.8 per cent. for 2016. A key government policy is the creation of jobs for the local population supported by initiatives to educate and motivate young nationals to join the workforce and the private sector.

Nominal GDP

The table below shows Abu Dhabi's nominal GDP, its percentage growth rate, the UAE's nominal GDP and the percentage contribution of Abu Dhabi's nominal GDP to the UAE's nominal GDP for each of the years indicated. Data for 2023 is preliminary and, in the case of the UAE, it comprises the sum of published quarterly nominal GDP for each of the four quarters in 2023.

	2019	2020	2021	2022	2023 ⁽¹⁾
	<i>(AED millions, except percentages)</i>				
Abu Dhabi nominal GDP	880,203	678,841	869,485	1,112,507	1,100,104
Percentage change in Abu Dhabi nominal GDP..	(5.6)	(22.9)	28.1	28.0	(1.1)
UAE nominal GDP.....	1,535,067	1,283,440	1,524,744	1,862,192	1,888,144
Abu Dhabi as a percentage of UAE.....	57.3	52.9	57.0	59.7	58.3

Note:

⁽¹⁾ Preliminary estimate

Sources: SCAD (for Abu Dhabi nominal GDP) and FCSC (for UAE nominal GDP)

Abu Dhabi's nominal GDP is generated principally by the hydrocarbon sector (mining and quarrying), which contributed 38.1 per cent. of nominal GDP in 2019, 31.5 per cent. in 2020, 40.9 per cent. in 2021, 48.0 per cent. in 2022 and 40.8 per cent. in 2023. The contribution of the hydrocarbon sector in nominal terms is materially affected by the prevailing level of oil prices. Outside the hydrocarbon sector, the principal contributors to Abu Dhabi's nominal GDP in each of 2019, 2020, 2021, 2022 and 2023 have been:

- construction (which accounted for 9.3 per cent. of Abu Dhabi's nominal GDP in 2023);

- financial and insurance activities (which accounted for 7.9 per cent. of Abu Dhabi's nominal GDP in 2023);
- manufacturing (which accounted for 7.9 per cent. of Abu Dhabi's nominal GDP in 2023);
- wholesale and retail trade, repair of motor vehicles and motorcycles (which accounted for 6.0 per cent. of Abu Dhabi's nominal GDP in 2023);
- public administration and defence, compulsory social service (which accounted for 5.9 per cent. of Abu Dhabi's nominal GDP in 2023); and
- electricity, gas and water supply; waste management (which accounted for 4.9 per cent. of Abu Dhabi's nominal GDP in 2023).

Together, these non-hydrocarbon sectors accounted for 41.8 per cent. of nominal GDP in 2019, 46.2 per cent. in 2020, 40.5 per cent. in 2021, 35.6 per cent. in 2022 and 41.5 per cent. in 2023.

Real GDP

In common with general practice among hydrocarbon-producing countries, Abu Dhabi's real GDP is calculated using hydrocarbon prices from a base year (in Abu Dhabi's case, 2014). This eliminates the effect of volatile price changes in hydrocarbon products on real hydrocarbon GDP and instead shows only the effects of production changes. The production figures that are included in the calculation of hydrocarbon real GDP include both oil and gas production, as well as the production of certain related products. Certain production information is set out under "*Hydrocarbon production and exports*" below, although this data does not necessarily cover all items that are included in Abu Dhabi's hydrocarbon real GDP calculations.

The tables below show the growth rates in Abu Dhabi's real GDP by the hydrocarbon sector and the non-hydrocarbon sector for each of the years indicated. Data for 2023 is preliminary.

	2019	2020	2021	2022	2023 ⁽¹⁾
			(per cent.)		
Abu Dhabi hydrocarbon real GDP growth	(3.2)	(3.9)	(0.1)	9.2	(3.1)
Abu Dhabi non-hydrocarbon real GDP growth	0.2	(11.5)	7.2	9.2	9.1
Abu Dhabi total real GDP growth	(1.5)	(7.7)	3.4	9.2	3.1

Note:

(1) Preliminary estimates.

Source: SCAD

Real growth in the hydrocarbon sector has been driven principally by production changes. The non-hydrocarbon sector of the economy grew by 0.2 per cent. in 2019, minus 11.5 per cent. in 2020, 5.7 per cent. in 2021, 9.2 per cent. in 2022 and 9.1 per cent. in 2023. The low growth rate in 2019 principally reflected continued corporate restructuring, a slowdown in government investment, declining real estate prices and construction activity and tightening fiscal conditions, in part due to rising U.S. interest rates which strengthened the U.S. dollar. In 2020, the non-hydrocarbon sector of the economy was impacted by restrictions imposed to combat COVID-19, including lockdowns and travel restrictions, as well as the slump in oil prices in mid-year and only a gradual recovery during the second half of 2020. In 2021, the non-hydrocarbon sector began to recover as COVID-19 restrictions were eased, oil prices generally recovered and the world economy grew. In 2022 and 2023, the non-hydrocarbon sector grew strongly as economic recovery continued.

The tables below show Abu Dhabi's real GDP, its percentage growth rate, the UAE's real GDP and the percentage contribution of Abu Dhabi's real GDP to the UAE's real GDP for each of the years indicated..

	2019	2020	2021	2022	2023 ⁽¹⁾
	<i>(AED millions, except percentages)</i>				
Abu Dhabi real GDP (constant 2014 prices) ..	1,062,929	980,621	1,014,198	1,107,941	1,142,136
Percentage change in Abu Dhabi real GDP	(1.5)	(7.7)	3.4	9.2	3.1
UAE real GDP (constant 2010 prices).....	1,517,759	1,442,523	1,505,341	1,623,517	1,676,952
Abu Dhabi as a percentage of UAE.....	70.0	68.0	68.2	68.2	68.1

Note:

⁽¹⁾ Preliminary estimates.

Sources: SCAD (for Abu Dhabi real GDP) and FCSC (for UAE real GDP only)

Abu Dhabi's real GDP experienced a positive compound annual growth rate of 1.45 per cent. between 2019 and 2023. The fastest growing sectors between 2019 and 2023 were:

- human health and social work, with a compound annual growth rate of 8.30 per cent.;
- information and communication, with a compound annual growth rate of 5.28 per cent.;
- activities of households as employers, with a compound annual growth rate of 4.75 per cent.;
- wholesale and retail trade, repair of motor vehicles and motorcycles, with a compound annual growth rate of 4.43 per cent.; and
- education, with a compound annual growth rate of 4.28 per cent.

Each of these sectors was somewhat insulated from the effects of COVID-19.

Hydrocarbon production and exports

The table below shows Abu Dhabi's oil crude oil production (including condensates), exports and average selling prices for each of the years indicated.

	2018	2019	2020	2021	2022
Crude oil production (<i>million b/d</i>).....	3.0	3.1	2.8	2.7	3.1
Crude oil exports (<i>million b/d</i>) ⁽¹⁾	2.3	2.4	2.4	2.3	2.7
Crude oil exports (<i>U.S.\$ billions</i>) ⁽²⁾	34	30	21	32	53
Average selling price (<i>U.S.\$ per barrel</i>)	73	67	42	68	97

Notes:

⁽¹⁾ ADNOC and industry shareholders combined.

⁽²⁾ ADNOC only.

n/a means not yet available.

Source: ADNOC

Government structure

Executive authority in Abu Dhabi is derived from the Ruler, Sheikh Mohammed bin Zayed Al Nahyan. Abu Dhabi Executive Council (the **Executive Council**), which is the principal executive authority below the Ruler, comprises members appointed by the Ruler of Abu Dhabi.

Departments, authorities and councils are established by Emiri Decree and are subject to the authority of the Executive Council. Departments manage administration within the emirate and each department manages a specific portfolio. Departments include, for example, the Department of Finance, the Department of Energy, the Department of Municipalities and Transport, the Department of Health, the

Department of Economic Development, the Department of Education & Knowledge and the Department of Culture & Tourism. Authorities manage the emirate's resources and strategies and include the Accountability Authority and the Abu Dhabi Creative Media Authority. Councils act as controlling bodies for certain government initiatives, projects and industry sectors by setting and monitoring policies, regulations and standards and include the Council for Economic Development.

Law No. 24 of 2020 established the Abu Dhabi Supreme Council for Financial and Economic Affairs (the **SCFEA**) to set public policy for financial, investment, economic, petroleum and natural resources affairs in the emirate, enhancing their importance, preserving gains and supporting Abu Dhabi's future growth. The SCFEA assumed all the competencies and powers previously exercised by the Executive Council in relation to Abu Dhabi Investment Authority (**ADIA**), ADNOC, Mubadala, ADQ and, upon designation by a resolution of the chairman of the board of the SCFEA, other governmental entities, institutions and companies in which the Government holds a stake. The Supreme Petroleum Council's regulatory powers in respect of the petroleum industry were transferred to the SCFEA. The law stipulates that the Chairman of the SCFEA is the Ruler of Abu Dhabi, and the Vice-Chairman is the Crown Prince of Abu Dhabi.

The Government owns or has material shareholdings in several significant companies and institutions, including ADNOC, Mubadala, ADIA and ADQ. Each of these companies is wholly owned by the Government and one or more members of the Executive Council sit on the board of most of these companies.

RECENT DEVELOPMENTS IN THE ABU DHABI REAL ESTATE MARKET

The information set out below has been derived from research published by JLL (The UAE Real Estate Market: A Year in Review 2021, The UAE Real Estate Market Overview: A Year in Review 2022 and The UAE Real Estate Market Overview: A Year in Review 2023 and sector specific research publications for the six months ended 30 June 2024). GDP data is derived from official SCAD publications. The discussion below focuses on the Abu Dhabi market which is Aldar's principal exposure.

Macroeconomic overview

Economic activity in the UAE continued its recovery from the end of 2020 with nominal GDP growing by 4.5 per cent. in 2021 and real GDP growing by 1.9 per cent. JLL reported that in the real estate market, residential prices continued to recover supported by double-digit growth in sales transactions, according to data from the Dubai Land Department. In the commercial real estate sector, JLL reported that enquiries for good quality office stock were strongest from financial, legal and technology firms and that strategically placed, single-owned Grade A properties continue to be the preferred choice for international corporates. JLL also reported that the retail sector had benefitted from increased international visitor numbers in 2021.

In 2022, Abu Dhabi's real GDP (at constant 2014 prices) grew by 9.2 per cent., according to SCAD. JLL reported higher average Grade A commercial rents, small increases in residential rents and flat average rental rates across primary and secondary malls in Abu Dhabi in 2022.

In 2023, real GDP growth was 3.1 per cent. according to preliminary estimates released by SCAD. JLL reported that continued growth was witnessed in the UAE real estate market across all the major asset classes. In the office market, strong demand for office space was observed in both Abu Dhabi and Dubai. The market remained firmly in favour of landlords, as rents continued to increase due to the limited availability of quality space and rising inquiries from occupiers. In the residential sector, developers continued to launch new projects to meet growing demand from investors. Additionally, growth was observed in transactions in both the primary and secondary markets. The retail market saw mall operators adopt a more dynamic management strategy. Landlords focused on enhancing the customer experience to increase dwell time, leveraging experiential retail with the help of F&B offerings, and transforming common spaces.

Retail

JLL reports indicate that:

- in 2021, average retail rents across primary and secondary malls had declined by 5 per cent. in the final quarter of 2021 compared to the same period in 2020, although retailers were registering a pick-up in footfall and turnover. Nonetheless, due to the uncertain economic climate, JLL reported that retail occupiers were continuing to push for incentives such as rent-free periods, contribution towards capital expenditure on fit-outs and revenue-share options;
- in 2022, average retail rents across primary and secondary malls were flat in the final quarter of 2022 compared to the same period in 2021, although JLL noted that well-located super regional malls had benefitted from returning tourists, which in turn helped underpin the growth in rents for this segment within the retail sector;
- in 2023, average retail rents across primary and secondary malls increased by 5 per cent. in the final quarter of 2023 compared to the same period in 2022. JLL also noted that the primary focus in Abu Dhabi has been on the development of entertainment concepts and the enhancement of F&B options; and
- in 2024, average retail rents across primary and secondary malls increased by 11 per cent. in the second quarter of 2024 compared to the same period in 2023.

JLL also noted in its 2022 report that: (i) owners of retail assets and franchise operators remained focused on bringing unique entertainment concepts to drive footfall and that landlords had been offering favourable lease terms and incentives to attract new international brands, especially in the food and beverage segment and; (ii) the sustained growth of online shopping means that retailers are strengthening their digital presence to bolster revenues in an increasingly competitive environment. JLL reported that although snarled supply chains and inflationary pressures were highlighted as key headwinds by market players, there were signs of easing in the second half of 2022.

In terms of supply, JLL reports noted that in 2021, nearly 100,000m² of retail stock GLA was added in Abu Dhabi bringing the total stock to 2.9 million m² of GLA at 31 December 2021. In 2022, JLL reported that Abu Dhabi's retail stock remained unchanged at 2.9 million m² at 31 December 2022. In 2023, JLL reports indicated that around 250,000m² of retail stock GLA was added in Abu Dhabi bringing the total stock of retail GLA in Abu Dhabi to 3.15 million m² at the end of 2023. There were no new completions recorded in Abu Dhabi in the second quarter of 2024, keeping the total stock of retail GLA in Abu Dhabi at 3.15 million m² as at 30 June 2024.

Residential

JLL reports indicate that residential rents for apartments and villas in Abu Dhabi:

- declined by 3 per cent. on an annual basis in December 2021;
- increased by 1 per cent. on an annual basis in the fourth quarter of 2022;
- increased by 2 per cent. on an annual basis in the fourth quarter of 2023; and
- increased by 5 per cent. on an annual basis in the second quarter of 2024.

In terms of average residential sales prices in Abu Dhabi, JLL reported:

- a 6 per cent. increase on an annual basis in December 2021;
- a 3 per cent. increase on an annual basis in the fourth quarter of 2022;
- 5 per cent. increase on an annual basis in the fourth quarter of 2023; and

- a 7 per cent. increase on an annual basis in the second quarter of 2024.

In terms of supply, JLL reports indicate that the residential market in Abu Dhabi grew by about 7,000 units in 2021 to 273,000 units at the end of 2021, by about 6,000 units in 2022 to 279,000 units at the end of 2022 and by about 5,000 units in 2023 to 284,000 units at the end of 2023. In the second quarter of 2024, approximately 625 units were delivered in Abu Dhabi, resulting in stock of 286,000 units as at 30 June 2024.

Commercial

According to JLL, Abu Dhabi is a two-tiered office market, with strong demand for single owned Grade A office space, but little interest in secondary locations. JLL reports indicate that average Grade A rents in Abu Dhabi:

- increased by around 5 per cent. on an annual basis in the fourth quarter of 2021;
- increased by around 8 per cent. on an annual basis in the fourth quarter of 2022;
- grew by 12 per cent. on an annual basis in the fourth quarter of 2023; and
- grew by 10 per cent. on an annual basis in the second quarter of 2024.

In terms of supply, JLL reports indicate that:

- around 15,000 m² of commercial GLA was added in Abu Dhabi in 2021, bringing the total stock to around 3.9 million m² at 31 December 2021;
- around 8,000 m² of commercial GLA was added in Abu Dhabi in 2022, keeping the total stock at around 3.9 million m² at 31 December 2022;
- commercial GLA in Abu Dhabi remained unchanged at 3.9 million m² in 2023; and
- around 7,500 m² of commercial GLA was added in Abu Dhabi in the second quarter of 2024, keeping the total stock at around 3.9 million m² at 30 June 2024.

Hospitality

JLL reports indicate that

- there was an addition of around 1,500 keys in Abu Dhabi in 2021, leading to a total stock of 32,000 keys. In the 11 months to November 2021, occupancy levels in Abu Dhabi were 66 per cent., ADR was U.S.\$92, an increase of 4 per cent. compared to the same period in 2020, and RevPAR was U.S.\$61 in the 11 months to 30 November 2021;
- there was an addition of around 600 keys in Abu Dhabi in 2022, keeping the total stock 32,000 keys. In the 11 months to November 2022, occupancy levels in Abu Dhabi were 69 per cent., ADR was U.S.\$119, an increase of 29 per cent. compared to the same period in 2021, and RevPAR was U.S.\$82 in the 11 months to 30 November 2021 an increase of 34 per cent. compared to the same period in 2021;
- there was an addition of around 200 keys in Abu Dhabi in 2023, leading to a total stock above 32,500 keys. In the 11 months to November 2023, occupancy levels in Abu Dhabi were 72 per cent., ADR was U.S.\$143, an increase of 20 per cent. compared to the same period in 2022, and RevPAR was U.S.\$103, an increase of 25 per cent. compared to the same period in 2022; and
- there was an addition of around 140 keys in Abu Dhabi in the second quarter of 2024, leading to a total stock above 32,600 keys. In the five months to May 2024, occupancy levels in Abu

Dhabi were 80 per cent., ADR was U.S.\$159, an increase of 13 per cent. compared to the same period in 2023, and RevPAR was U.S.\$127, an increase of 24 per cent. compared to the same period in 2023.

TAXATION

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of these Listing Particulars and is subject to any change in law that may take effect after such date.

United Arab Emirates

The following summary of the anticipated tax treatment in the UAE in relation to payments on the Notes is based on the taxation law and practice in force at the date of these Listing Particulars and does not constitute legal or tax advice and prospective investors should be aware that the relevant fiscal rules and practice and their interpretation may change. Prospective investors should consult their own professional advisers on the implications of subscribing for, buying, holding, selling, redeeming or disposing of Notes and the receipt of any payments with respect to such Notes under the laws of the jurisdictions in which they may be liable to taxation.

Under current legislation, there is no requirement for withholding or deduction for or on account of UAE or Abu Dhabi taxation in respect of payments made by the Issuer under the Notes. In the event of such imposition of any such withholding, the Issuer has undertaken to gross-up any payments subject to certain limited exceptions.

The Proposed Financial Transactions Tax (FTT)

On 14 February 2013, the European Commission published a proposal (the "**Commission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including: (i) by transacting with a person established in a participating Member State; or (ii) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, as amended, commonly known as FATCA, a **"foreign financial institution"** (as defined by FATCA) may be required to withhold on certain payments it makes (**"foreign passthru payments"**) to persons that fail to meet certain certification, reporting or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including the UAE) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**"IGAs"**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

SUBSCRIPTION AND SALE

Pursuant to a subscription agreement (the "**Subscription Agreement**") dated 13 January 2025 between the Issuer and the Joint Lead Managers, the Issuer has agreed to issue U.S.\$1,000,000,000 in aggregate principal amount of the Notes and, subject to certain conditions, the Joint Lead Managers have jointly and severally agreed to subscribe or procure subscribers for the Notes at the issue price of 100 per cent. of the principal amount of Notes.

The Joint Lead Managers will be paid certain commissions in respect of their services for managing the issue and offering of the Notes. The Issuer has agreed to reimburse the Joint Lead Managers for certain of their expenses in connection with the issue of Notes and to indemnify the Joint Lead Managers against certain liabilities incurred by them in connection therewith.

United States

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Joint Lead Manager has represented and agreed that, except as permitted by the Subscription Agreement, it has not offered or sold any Notes, and will not offer or sell any Notes: (i) as part of their distribution at any time; or (ii) otherwise until 40 days after the completion of the distribution of all Notes, other than in accordance with Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by any dealer/manager (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

European Economic Area

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Prohibition of Sales to UK Retail Investors

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the UK. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

- (a) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

- (b) a customer within the meaning of the provisions of the FSMA and any rules and regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Other regulatory restrictions

Each Joint Lead Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the UK.

Kingdom of Bahrain

Each Joint Lead Manager has represented and agreed that it has not offered or sold, and will not offer or sell, any Notes in the Kingdom of Bahrain except on a private placement basis to persons in the Kingdom of Bahrain who are "accredited investors".

For this purpose, an "**accredited investor**" means:

- (a) an individual who has a minimum net worth (or joint net worth with their spouse) of U.S.\$1,000,000, excluding that person's principal place of residence;
- (b) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.\$1,000,000;
- (c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund); or
- (d) any other entity which is an "accredited investor" as defined in the Central Bank of Bahrain Rulebook.

State of Qatar (including the Qatar Financial Centre)

Each Joint Lead Manager has represented and agreed that it has not offered, delivered or sold, and will not offer, deliver or sell, at any time, directly or indirectly, any Notes in the State of Qatar (including the Qatar Financial Centre), except: (a) in compliance with all applicable laws and regulations of the State of Qatar (including the Qatar Financial Centre); and (b) through persons or corporate entities authorised and licensed to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in the State of Qatar (including the Qatar Financial Centre).

These Listing Particulars: (i) have not been, and will not be, filed with, reviewed or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other relevant Qatar governmental body or securities exchange; (ii) are intended for the original recipient only and must not be provided to any other person; and (iii) are not for general circulation in the State of Qatar (including the Qatar Financial Centre) and may not be reproduced or used for any other purpose.

Kingdom of Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Notes. Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires any Notes pursuant to an offering should note that the offer of Notes is a private placement under Article 8 of the "Rules on the Offer of Securities and Continuing Obligations" as issued by the Board of the Capital Market Authority resolution number 3-123-2017 dated 27 December 2017, as amended by the Capital Market Authority resolution number 3-114-2024 dated 7 October 2024 (the "**KSA Regulations**"), made through a capital market institution licensed by the Capital Market Authority, in each case, in accordance with the KSA Regulations.

The Notes may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to "institutional and qualified clients" under Article 8(a)(1) of the KSA Regulations or by way of a limited offer under Article 9 of, or as otherwise required or permitted by the KSA Regulations. Each Joint Lead Manager has represented and agreed that any offer of Notes to a Saudi Investor will be made in compliance with Article 10 and either Article 8(a)(1) or Article 9 of the KSA Regulations.

The offer of the Notes shall not therefore constitute a "public offer", an "exempt offer" or a "parallel market offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 14 of the KSA Regulations.

Abu Dhabi Global Market

Each Joint Lead Manager has represented and agreed that it has not offered, and will not offer, the Notes to any person in the ADGM unless such offer is:

- (a) an "Exempt Offer" in accordance with the Markets Rules Module of the Financial Services Regulatory Authority (the "**FSRA**") rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.4.1 of the Conduct of Business Module of the FSRA rulebook.

Dubai International Financial Centre

Each Joint Lead Manager has represented and agreed that it has not offered and will not offer the Notes to any person in the DIFC unless such offer is:

- (a) an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the "**DFSA**") rulebook; and
- (b) made only to persons who meet the "Professional Client" criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

United Arab Emirates (excluding the Dubai International Financial Centre and the Abu Dhabi Global Market)

Each Joint Lead Manager has represented and agreed that the Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the UAE (excluding the Dubai International Financial Centre and the Abu Dhabi Global Market) other than in compliance with any laws applicable in the UAE (excluding the Dubai International Financial Centre and the Abu Dhabi Global Market) governing the issue, offering and sale of securities.

Hong Kong

Each Joint Lead Manager has represented and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than: (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding-Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**") and each Joint Lead Manager has represented and agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Malaysia

These Listing Particulars have not been registered as a prospectus with the Securities Commission of Malaysia under the Capital Markets and Services Act 2007 of Malaysia (the "**CMSA**"). Accordingly, each Joint Lead Manager has represented and agreed that the Notes have not been and will not be offered, sold or delivered by it, and no invitation to subscribe for or purchase the Notes has been or will be made, directly or indirectly, by it nor may any document or other material in connection therewith be distributed by it in Malaysia, other than to persons falling within any one of the categories of persons specified under Part I of Schedule 6 (or Section 229(1)(b)) and Part I of Schedule 7 (or Section 230(1)(b)) and Schedule 8 or Section 257(3), read together with Schedule 9 (or Section 257(3)) of the CMSA subject to any law, order, regulation or official directive of the Central Bank of Malaysia, the Securities Commission of Malaysia and/or any other regulatory authority from time to time. Residents of Malaysia may be required to obtain relevant regulatory approvals including approval from the Controller of Foreign Exchange to purchase the Notes. The onus is on the Malaysian residents concerned to obtain such regulatory approvals and none of the Joint Lead Managers is responsible for any invitation, offer, sale or purchase of the Notes as aforesaid without the necessary approvals being in place.

Singapore

Each Joint Lead Manager has acknowledged that these Listing Particulars have not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented and agreed that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, these Listing Particulars or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional

investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to, and in accordance with, the conditions specified in Section 275 of the SFA.

Switzerland

Each Joint Lead Manager has acknowledged, that these Listing Particulars are not intended to constitute an offer or solicitation to purchase or invest in the Notes and has represented and agreed that the Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made by it to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither these Listing Particulars nor any other offering or marketing material relating to the Notes constitute a prospectus pursuant to the FinSA, and neither these Listing Particulars nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

General

Each Joint Lead Manager has represented, warranted and agreed that it will (to the best of its knowledge and belief) comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers or sells any Notes or possesses or distributes these Listing Particulars (in preliminary proof or final form) or any related offering material, in all cases at its own expense, and neither the Issuer nor any of the other Joint Lead Managers shall have any responsibility therefor.

Neither the Issuer nor any of the Joint Lead Managers has represented that the Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale. Persons into whose possession these Listing Particulars or the Notes may come must inform themselves about, and observe, any applicable restrictions on the distribution of these Listing Particulars and the offering and sale of Notes.

GENERAL INFORMATION

Authorisation

The issue of the Notes by the Issuer was duly authorised by resolutions of the Board of Directors of the Issuer on 11 December 2024 and by the shareholders of the Issuer on 30 December 2024.

Listing of the Notes

Application has been made to Euronext Dublin for the Notes to be to be admitted to the Official List and to trading on the GEM with effect from on or around the Issue Date. Application is expected to be made for the Notes to be admitted to listing on the ADX. Neither the GEM nor the ADX are regulated markets for the purposes of EU MiFID II or UK MiFIR.

Documents Available

For as long as the Notes are outstanding, copies of the following documents will, when published, be available for inspection during normal business hours at the specified offices of the Fiscal Agent for the time being in London:

- (a) the Memorandum and Articles of Association of the Issuer (together with direct and accurate English translations thereof);
- (b) the Financial Statements;
- (c) these Listing Particulars; and
- (d) the Agency Agreement (which contains the forms of the Global Certificate and the Individual Certificate) and the Deed of Covenant.

Clearing Systems and Identification Codes

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The ISIN is XS2975294393 and the common code is 297529439. The Financial Instrument Short Name ("FISN") is ALDAR PROPRTIE/7EUR NT 20330113 RE and the Classification of Financial Instruments ("CFI") Code is DBFNFR, each as may be updated, each as set out on the website of the Association of National Numbering Agencies ("ANNA") as updated or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1 210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L11855 Luxembourg.

Legal Entity Identifier (LEI)

The LEI code of the Issuer is 98450048CD8AEF13B480.

Website of the Issuer

The website of the Issuer is <https://www.aldar.com/en>. The information on <https://www.aldar.com/en> does not form part of these Listing Particulars, except where that information has been incorporated by reference into these Listing Particulars.

Significant or Material Change

Since 31 December 2023, there has been no material adverse change in the prospects of the Issuer or the Group.

Since 30 September 2024, there has not been any significant change in the financial performance or financial position of the Issuer or the Group.

Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer is aware) which may have, or have had during the twelve months prior to the date of these Listing Particulars, a significant effect on the financial position or profitability of the Issuer or the Group.

Indication of Yield

6.625 per cent. per annum up to the First Reset Date. The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

Independent Auditors

The current auditors of the Issuer are Deloitte & Touche (M.E.) (authorised and regulated under the Register of Practicing Accountants at the UAE Ministry of Economy and Planning as required by UAE Federal Law No. 22 of 1995). Deloitte & Touche (M.E.)'s address is Level 11, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, P.O. Box 990, Abu Dhabi, United Arab Emirates. The Annual Financial Statements have been audited without qualification in accordance with International Standards on Auditing by Deloitte & Touche (M.E.), as stated in their audit reports mentioned herein.

The Interim Financial Information have been reviewed, without qualification, in accordance with International Standard on Review Engagements 2410 (ISRE) "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" by Deloitte & Touche (M.E.), as stated in their review report set out herein.

With respect to the Interim Financial Information included in these Listing Particulars, the independent auditors have reported that they have applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein states that they did not audit, and they do not express an opinion on such interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

Joint Lead Managers transacting with the Issuer

Certain of the Joint Lead Managers and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

In the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Joint Lead Managers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit

default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. Such persons do not intend to disclose the extent of any such investment or transactions other than as may be required by law.

ISSUER

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