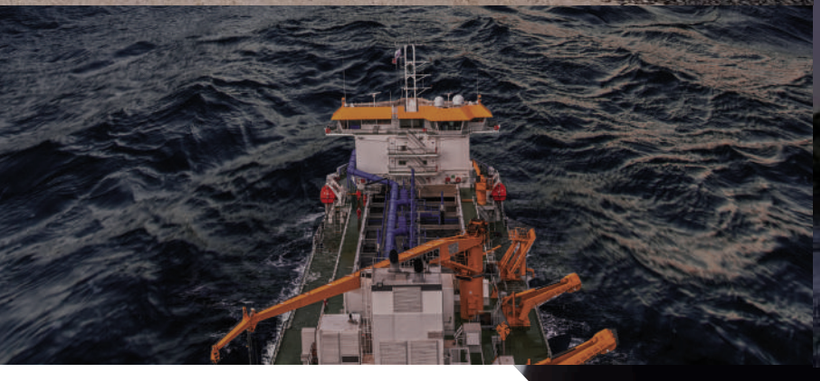
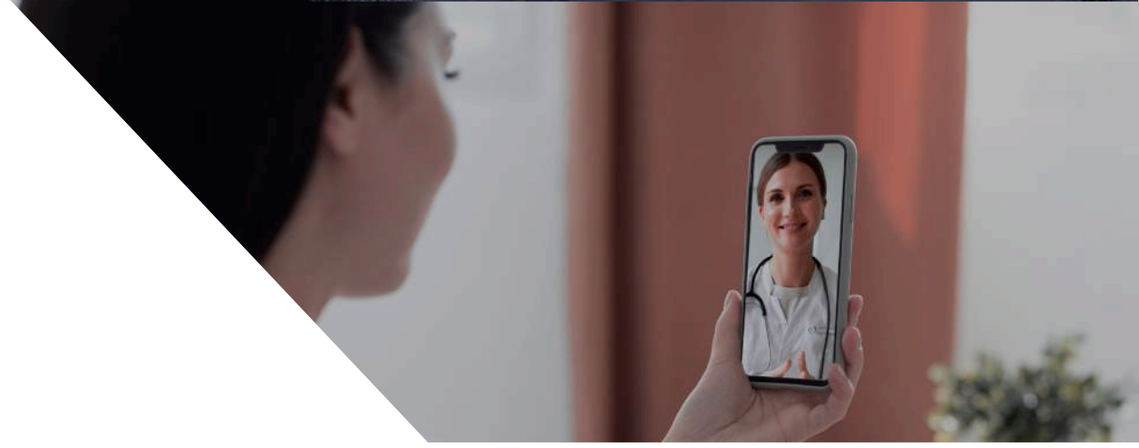


Integrated Report 2022









Alpha Dhabi Holding
ألفا ظبي القابضة

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ALPHA DHABI HOLDING PJSC

Reports and consolidated financial statements for the year ended 31 December 2022

ALPHA DHABI HOLDING PJSC

Reports and consolidated financial statements for the year ended 31 December 2022

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Directors' report for the year ended 31 December 2022

The Directors have pleasure in submitting their report together with the audited consolidated financial statements of Alpha Dhabi Holding PJSC ("the Company") and its subsidiaries (together referred to as "the Group") for the year ended 31 December 2022.

Principal activities

The Group is one of the fastest growing Abu Dhabi based investment holding conglomerates, with businesses spread across healthcare, real estate, construction, and hospitality, amongst others. The Group is a strategic contributor to the UAE economy and is committed to driving continuous growth for its stakeholders through investments in strong businesses, which support innovation and diversity.

Results and appropriation of profits

Revenue for the year was AED 40,050 million (2021: AED 18,669 million) and profit attributable to the Owners of the Company for the year was AED 7,342 million (2021: AED 3,182 million). The major movements in retained earnings for the year were:

	AED '000
At 1 January 2022	**3,964,433**
Profit for the year attributable to the Owners of the Company	**7,341,651**
Transfer to statutory reserve	**(367,083)**
Transfer to non-controlling interests on dilution of ownership	**(359,937)**
Transfer from non-controlling interests on dilution of ownership	**326,407**
Others	**(742,057)**
At 31 December 2022	**10,163,414**

Directors

The Directors of the Company are as follows:

Mr. Mohamed Thani Murshed Alrumaithi	Chairman
Mr. Syed Basar Shueb	Vice Chairman
Mr. Hamad Salem Alameri	Managing Director
Mr. Sultan Dahi Alhemeiri	Member
Ms. Sofia Lasky	Member

Release

The Directors release the management and the external auditor from any liability in connection with their duties for the year ended 31 December 2022.

Directors' report
for the year ended 31 December 2022 (continued)

Auditors

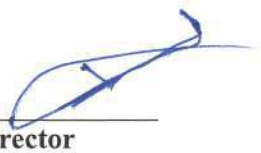
Deloitte and Touché (M.E.) have expressed their willingness to be re-appointed as external auditor of the Group for the year ending 31 December 2023.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 3 March 2023.

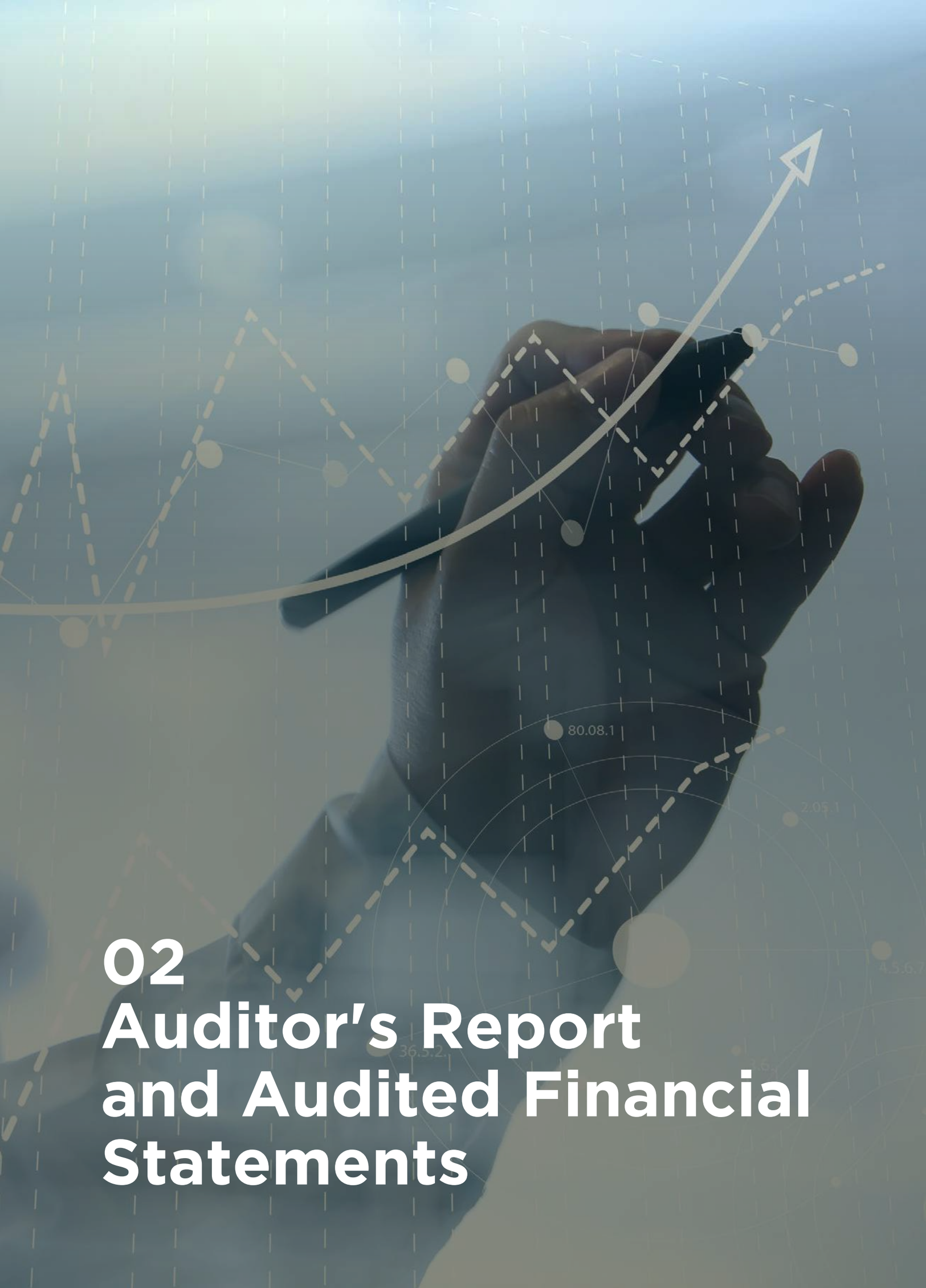
Acknowledgement

To the best of our knowledge, the financial information included in these consolidated financial statements presents fairly, in all material respects, the financial position, results of operations and cash flows of the Group as of, and for, the years presented therein.

for and on behalf of the Board of Directors



Managing Director



02
Auditor's Report and Audited Financial Statements

Deloitte & Touche (M.E.)
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Al Maryah Island
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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALPHA DHABI HOLDING PJSC

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Alpha Dhabi Holding PJSC ("the Company") and its subsidiaries (together referred to as "the Group"), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Key audit matters

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

Akbar Ahmad (1141), Cynthia Corby (995), Georges Najem (809), Mohammad Jallad (1164), Mohammad Khamees Al Tah (717), Musa Ramahi (872), Mutasem M. Dajani (726), Obada Alkowatly (1056), Rama Padmanabha Acharya (701) and Samir Madbak (386) are registered practicing auditors with the UAE Ministry of Economy.

Deloitte.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ALPHA DHABI HOLDING PJSC (continued)

Key audit matters (continued)

Revenue recognition	**How our audit addressed the key audit matters**
The Group recognised revenue of AED 40,050 million for the year ended 31 December 2022. Revenue recognition is considered to be a key area of focus given there are multiple revenue streams associated with the Group which come from various decentralized operational locations. The Group's business involves entering into contractual relationships with customers to provide a range of services with a significant proportion of the Group's revenues and profits derived from long term contracts. Also, revenue is quantitatively significant to the consolidated financial statements and requires management to apply significant judgements and make significant estimates when determining the amount of revenue to be recognised. The significant judgements applied and estimates made include determining the stage of completion, the timing of revenue recognition and the calculation of the percentage of completion in applying the Group's revenue recognition policies to long-term contracts entered into by the Group. The nature of these judgements results in them being susceptible to management override and risk that revenue recognised is incorrect. The Group's revenue recognition accounting policy is included in Note 2 to the consolidated financial statements. Critical accounting judgements and key sources of estimation uncertainty are disclosed in Note 4 and details of the amount of revenue recognised during the year are included in Note 32.	We performed the following procedures, inter alia, in respect of revenue recognition • We obtained an understanding of the business process flow and performed walkthroughs to understand the key processes and identify key controls; • We assessed the key controls over revenue to determine if they had been designed and implemented appropriately and tested controls, for significant revenue streams and, where we planned to reply on controls, we determined if they were operating effectively; • We performed a range of audit procedures which included obtaining a sample of contracts, reviewing for variation orders, retrospectively reviewing estimated profit and costs to complete and enquiring of key personnel regarding potential contract losses; • For material contracts identified, we have reviewed the contract terms and verified assumptions made in determining the amount of revenue to be recognised, including consideration of discounts, performance penalties and other cost implications of the contract; • We performed analytical procedures by comparing the current year project margins for certain projects with their prior year margin. If we identified an unexpected margin, we carried out more focused testing on these contracts; • We performed procedures to assess whether the revenue recognition criteria adopted by Group is appropriate and is in accordance with the Group's accounting policy and the requirements of IFRSs; • We performed testing over manual journal entries posted to revenue to assist us in identifying unusual or irregular transactions; and • We assessed the disclosure in the consolidated financial statements relating to revenue recognition against the requirements of IFRSs.

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ALPHA DHABI HOLDING PJSC (continued)

Key audit matters (continued)

Recoverability and impairment of trade receivables and contract assets	**How our audit addressed the key audit matters**
At 31 December 2022, gross trade receivables and contract assets were AED 10,181 million and AED 7,268 million respectively against which expected credit loss ("ECL") allowances of AED 604 million and AED 82 million respectively were recorded. These assets represent 13% of the total assets presented in the consolidated financial statements and include trade receivable balances of AED 2,534 million which has been outstanding for more than 120 days. Further, contract assets include balances of AED 621 million relating to unsigned or verbal contracts. The Group assesses at each reporting date whether the financial assets carried at amortised cost are credit-impaired. Management has applied the simplified approach for measurement of ECL allowances for trade receivables and contract assets. The ECL model involves the use of various assumptions, macro-economic factors and study of historical trends relating to the Group's trade collections experience. The directors exercise significant judgement when determining both when and how much to record as the ECL allowance. Because of the significance of these judgements and the size of trade receivables and contract assets, the audit of the allowance for ECL is a key area of focus. We have considered the above matter as a Key Audit Matter due to the identification of significant delays in the collection of receivables which results in the application of significant auditor judgement regarding the accounting estimates made by management in determining the ECL allowance. The Group disclosures are included in Notes 2 and 4 of consolidated financial statements which outline the accounting policy and critical estimates made and judgements applied for determining the allowance for ECL.	We performed the following procedures in relation to the allowance for expected credit loss: • We obtained an understanding of the process and identified the relevant controls over the measurement and determination of the allowance for ECL; • We assessed the design of these controls and determined if they had been implemented appropriately; • We compared the ECL model developed by management against the requirements of IFRS 9 and reviewed the methodology against accepted best practice; • We tested the arithmetical accuracy of the model; • We performed procedures on individually significant projects, such as substantiating transactions with underlying documents, including contracts and third-party correspondence, final settlement agreements, requests submitted for extension of time, to obtain evidence for the accuracy and valuation of the recorded receivables. • We tested key assumptions, such as those used to calculate the likelihood of default and the subsequent loss on default, by comparing to historical data. We also considered the incorporation of forward-looking factors to reflect the impact of future events on expected credit losses; • We agreed the results of the output of the ECL model developed by management to the amounts reported in the consolidated financial statements; and • We assessed the disclosure in the consolidated financial statements relating to this matter against the requirements of IFRSs.

Deloitte.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ALPHA DHABI HOLDING PJSC (continued)

Key audit matters (continued)

Business acquisitions and purchase price allocation	**How our audit addressed the key audit matters**
During the year, the Group gained control over Aldar Properties PJSC ('Aldar'). This has been treated as a step acquisition in accordance with the requirements of IFRS 3 Business Combinations. Consequently, the investment in Aldar was measured at fair value at the date of derecognition as an associate, with the difference between the fair value and the previous carrying amount of AED 2,621 million being recognised in the consolidated statement of profit or loss and other comprehensive income. The fair value was determined with reference to quoted market prices as Aldar is a listed entity. This investment has now been consolidated as a subsidiary. Refer to Note 42 in the consolidated financial statements for more details relating to this matter. An independent external valuation specialist ("valuer") was engaged by the Group to perform the purchase price allocation exercise which required them to determine the fair value of assets acquired and liabilities assumed. This included identifying and determining the fair value of any assets and liabilities that were not recorded in the accounting records of the acquirees. Based on the purchase price allocation for the Aldar acquisition, the Group recognised goodwill of AED 2,177 million and intangible assets of AED 2,022 million comprising a brand, customer relationships and contracts of AED 1,732 million, AED 359 million and AED 176 million respectively and intangible write off of AED 245 million. In addition, the tangible assets of Aldar were increased by AED 4,359 million and fair value of liabilities were reduced by AED 60 million. We have identified the acquisition of Aldar, as a key audit matter due to the size of the transaction and the following significant judgements applied and estimates made by management: • allocation of purchase price to the identifiable assets acquired and liabilities assumed; • fair valuation of the assets acquired including the valuation of intangible assets and goodwill; and • adjustments made to align accounting policies of the newly acquired assets with those of the Group. The key judgements and estimates involved are described in more detail in Note 4 to the consolidated financial statements.	We performed the following procedures in relation to the business acquisitions and purchase price allocation; • We assessed the design and implementation of controls over the accounting of the transactions and the determination of the fair values of assets acquired and liabilities assumed; • We assessed whether management's assumptions in relation to the accounting for the transactions are in accordance with the requirements of IFRS 3; • We recalculated the fair value of the investment in Aldar prior to derecognition and determined that the resultant gain had been correctly calculated. • We agreed the fair values of the assets and liabilities determined by management to the amounts presented in the consolidated financial statements; • As part of our audit procedures in respect of the purchase price allocation, we have: - assessed the completeness and accuracy of the assets acquired and liabilities assumed in the purchase price allocation; - evaluated, with involvement of our internal experts, the methodologies and significant inputs used by the Group including the identification of intangible assets and the determination of the useful lives of the identified intangible assets; - assessed, with involvement of our internal experts, the fair values of a sample of the assets acquired and liabilities assumed; - analysed the fair value adjustments recognised by management and evaluated whether the adjustments made were in accordance with the requirements of IFRS 3; - assessed, with involvement of our internal experts, the goodwill and intangible assets recognised by management and evaluated whether it was accounted for in accordance with the requirements of IFRS 3; - assessed the skills, competence, objectivity and independence of the valuers engaged by the Group to perform the purchase price allocation exercise; and - reviewed the terms of engagement between the valuers and the Group to determine if the scope of their work was sufficient for audit purposes.

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ALPHA DHABI HOLDING PJSC (continued)

Key audit matters (continued)

Business acquisitions and purchase price allocation (continued)	How our audit addressed the key audit matters
	• We assessed the disclosures made in the consolidated financial statements in this area against the requirements of IFRSs.

Other Information

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

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

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

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

When we will read the Group's Annual Report, if we conclude that there is material misstatement therein, we will be required to communicate the matter to those charged with governance and consider whether a reportable irregularity exits in terms of the auditing standards, which must be reported.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the Articles of Association of the Company, applicable provisions of UAE Federal Decree Law No. (32) of 2021, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Deloitte.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ALPHA DHABI HOLDING PJSC (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

Deloitte.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ALPHA DHABI HOLDING PJSC (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- We have obtained all the information we considered necessary for the purposes of our audit;
- The consolidated financial statements of the Group have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. (32) of 2021;
- The Group has maintained proper books of accounts;
- The financial information included in the Directors' report is consistent with the Group's books of account;
- Note 2, 10 and 12 to the consolidated financial statements discloses the purchases and investments in shares made by the Group during the financial year ended 31 December 2022;
- Note 18 to the consolidated financial statements of the Group discloses material related party balances, transactions and the terms under which they were conducted;
- Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended 31 December 2022 any of the applicable provisions of the UAE Federal Decree Law No. (32) of 2021 or of its Articles of Association which would materially affect its activities or its consolidated financial position as at 31 December 2022; and
- Note 34 reflects the disclosure related to social contributions made during the year.

Deloitte and Touche (M.E.)



Mohammad Khamees Al Tah
Registration No. 717
3 March 2023
Abu Dhabi
United Arab Emirates

Consolidated statement of financial position as at 31 December 2022

	Notes	2022 AED '000	2021 AED '000
ASSETS			
Non-current assets			
Property, plant and equipment	**5**	**14,342,991**	6,365,210
Intangible assets	**6**	**5,519,512**	1,211,193
Goodwill	**7**	**4,007,444**	451,672
Biological assets		**27,008**	25,273
Investment properties	**8**	**23,062,483**	434,713
Right-of-use assets	**9**	**2,429,330**	588,642
Investment in associates and joint ventures	**10**	**4,714,276**	11,688,648
Investment in financial assets	**12**	**1,209,831**	1,650
Contract assets	**13**	**-**	687,978
Trade and other receivables	**15**	**832,929**	52,713
Total non-current assets		**56,145,804**	21,507,692
Current assets			
Investment in financial assets	**12**	**5,384,806**	1,000,424
Contract assets	**13**	**7,186,319**	5,055,762
Trade and other receivables	**15**	**20,667,141**	6,717,679
Inventories	**16**	**10,377,725**	697,981
Development work-in-progress	**17**	**4,139,938**	147,012
Due from related parties	**18**	**1,639,393**	1,326,790
Cash and bank balances	**19**	**25,488,098**	7,755,403
Total current assets		**74,883,420**	22,701,051
Assets of group held-for-sale	**38**	**-**	3,138,608
		74,883,420	25,839,659
Total assets		**131,029,224**	47,347,351
EQUITY AND LIABILITIES			
Equity			
Share capital	**20**	**10,000,000**	10,000,000
Statutory reserve	**21**	**685,408**	318,325
Merger reserve	**22**	**11,539,393**	8,723,368
Other reserves	**23**	**(493,604)**	10,880
Retained earnings		**10,163,414**	3,964,433
Equity attributable to the Owners of the Company		**31,894,611**	23,017,006
Hybrid equity instruments	**24**	**1,815,646**	-
Non-controlling interests		**36,328,703**	2,954,575
Total equity		**70,038,960**	25,971,581

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

Consolidated statement of financial position as at 31 December 2022 (continued)

	Notes	2022 AED '000	2021 AED '000
Non-current liabilities			
Lease liabilities	9	**2,365,898**	545,581
Provision for employees' end of service benefits	26	**2,542,495**	658,645
Bank borrowings	27	**13,210,294**	4,277,302
Non-convertible sukuk	28	**3,644,812**	-
Trade and other payables	31	**1,698,307**	58,552
Total non-current liabilities		**23,461,806**	5,540,080
Current liabilities			
Lease liabilities	9	**141,989**	41,858
Due to related parties	18	**2,019,205**	749,811
Bank borrowings	27	**1,305,266**	1,306,425
Non-convertible sukuk	28	**37,104**	-
Contract liabilities	30	**9,940,067**	1,634,318
Trade and other payables	31	**24,084,827**	9,914,951
Total current liabilities		**37,528,458**	13,647,363
Liabilities of group held-for-sale	38	-	2,188,327
		37,528,458	15,835,690
Total liabilities		**60,990,264**	21,375,770
Total equity and liabilities		**131,029,224**	47,347,351

Group Chief Financial Officer **Managing Director** **Chairman**

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

Consolidated statement of profit or loss for the year ended 31 December 2022

	Notes	2022 AED '000	2021 AED '000
Revenue	**32**	**40,049,989**	18,669,200
Direct costs	**33**	**(30,312,280)**	(13,047,877)
Gross profit		**9,737,709**	5,621,323
General, administrative and selling expenses	**34**	**(4,844,375)**	(986,478)
Share of results of associates and joint ventures	**10**	**(357,555)**	9,300
Impairment of financial and other assets		**(372,100)**	(408,169)
Other income	**35**	**1,139,869**	1,022,561
Income from government grants	**36**	**1,423,331**	-
Gain on bargain purchase of subsidiaries	**42**	**416,372**	-
Gain on derecognition and partial disposal of investment in associates	**10**	**3,879,900**	-
Finance costs, net	**37**	**(347,245)**	(85,082)
Profit before tax		**10,675,906**	5,173,455
Income tax	**14**	**(68,532)**	(6,086)
Profit for the year		**10,607,374**	5,167,369
Profit for the year attributable to:			
Owners of the Company		**7,341,651**	3,181,752
Non-controlling interests		**3,265,723**	1,985,617
		10,607,374	5,167,369
Basic and diluted earnings per share (AED)	**39**	**0.73**	0.45

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

Consolidated statement of comprehensive income for the year ended 31 December 2022

	Notes	2022 AED '000	2021 AED '000
Profit for the year		**10,607,374**	5,167,369
Other comprehensive (loss) / income			
Items that may be reclassified subsequently to profit or loss:			
Fair value loss on debt instruments measured at FVTOCI		**(20,243)**	(3,931)
Fair value gain arising on hedging instruments		**120,226**	5,523
Exchange differences arising on translation of foreign operations		**(830,744)**	9,936
Share of other comprehensive loss of associates and joint ventures	**10**	**(21,323)**	-
Net gains on debt instruments, hedging instruments and translation of foreign operations reclassified to profit or loss		**18,053**	-
Items that will not be reclassified subsequently to profit or loss:			
Fair value (loss) / gain on investments in equity instruments designated as FVTOCI		**(75,784)**	354,965
Remeasurement loss on defined benefit plans	**26**	**(35,748)**	-
Share of other comprehensive loss of associates and joint ventures	**10**	**(3,256)**	-
Total other comprehensive (loss) / income		**(848,819)**	366,493
Total comprehensive income for the year		**9,758,555**	5,533,862
Total comprehensive income for the year attributable to:			
Owners of the Company		**6,826,838**	3,525,239
Non-controlling interests		**2,931,717**	2,008,623
		9,758,555	5,533,862

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

Consolidated statement of changes in equity for the year ended 31 December 2022

	Attributable to the Owners of the Group								
	Share capital AED '000	Statutory reserve AED '000	Merger reserve AED '000	Other reserves AED '000	Retained earnings AED '000	Total AED '000	Hybrid equity instruments AED '000	Non-controlling interests AED '000	Total equity AED '000
Balance at 1 January 2021	300	150	214,335	72,379	727,819	1,014,983	-	30,477	1,045,460
Profit for the year	-	-	-	-	3,181,752	3,181,752	-	1,985,617	5,167,369
Other comprehensive income for the year	-	-	-	343,487	-	343,487	-	23,006	366,493
Total comprehensive income for the year	-	-	-	343,487	3,181,752	3,525,239	-	2,008,623	5,533,862
Equity arising from business combinations under common control (Note 41)	-	-	17,183,306	-	-	17,183,306	-	2,639,770	19,823,076
Acquisition of non-controlling interests (Note 43)	-	-	452,087	-	1,345	453,432	-	(452,468)	964
Increase in share capital (Note 20)	9,999,700	-	(9,966,406)	-	(33,294)	-	-	-	-
Non-controlling interests arising from business combinations under common control (Note 41)	-	-	-	-	-	-	-	212,525	212,525
Transfer of fair value reserve of equity instruments designated at FVTOCI	-	-	-	(332,607)	332,607	-	-	-	-
Dividend	-	-	-	-		-	-	(1,957,772)	(1,957,772)
Transfer to statutory reserve	-	318,175	-	(72,379)	(245,796)	-	-	-	-
Non-controlling interests arising on incorporation of a subsidiary	-	-	-	-	-	-	-	59	59
Payment to non-controlling interests towards contributed capital	-	-	-	-	-	-	-	(20,000)	(20,000)
Contribution in kind from a shareholder (Note 42)	-	-	840,046	-	-	840,046	-	493,361	1,333,407
Balance at 31 December 2021	10,000,000	318,325	8,723,368	10,880	3,964,433	23,017,006	-	2,954,575	25,971,581

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

Consolidated statement of changes in equity for the year ended 31 December 2022 (continued)

	Attributable to the Owners of the Group								
	Share capital AED '000	Statutory reserve AED '000	Merger reserve AED '000	Other reserves AED '000	Retained earnings AED '000	Total AED '000	Hybrid equity instruments AED '000	Non-controlling interests AED '000	Total equity AED '000
Balance at 1 January 2022	10,000,000	318,325	8,723,368	10,880	3,964,433	23,017,006	-	2,954,575	25,971,581
Profit for the year	-	-	-	-	7,341,651	7,341,651	-	3,265,723	10,607,374
Other comprehensive loss for the year	-	-	-	(500,890)	(13,923)	(514,813)	-	(334,006)	(848,819)
Total comprehensive (loss) / income for the year	-	-	-	(500,890)	7,327,728	6,826,838	-	2,931,717	9,758,555
Equity arising from business combinations under common control (Note 41)	-	-	741,360	-	-	741,360	-	305,345	1,046,705
Acquisition of assets from entities under common control (Note 22)	-	-	754,820	-	-	754,820	-	-	754,820
Non-controlling interests arising from business combinations under common control (Note 41)	-	-	-	-	-	-	-	70,360	70,360
Non-controlling interests arising from acquisition of subsidiaries (Note 42)	-	-	-	-	-	-	-	23,934,613	23,934,613
Non-controlling interests arising from acquisition of assets	-	-	-	-	-	-	-	192,600	192,600
Hybrid equity instruments arising on acquisition of a subsidiary (Note 24)	-	-	-	-	-	-	1,126,639	-	1,126,639
Hybrid equity instruments issued during the year (Note 24)	-	-	-	-	-	-	689,007	-	689,007
Coupon paid on hybrid equity instrument (Note 24)	-	-	-	-	(51,645)	(51,645)	-	-	(51,645)
Transfer to non-controlling interests on dilution of ownership (Note 43)	-	-	(1,120,678)	-	(359,937)	(1,480,615)	-	1,480,615	-
Proceeds from disposal to non-controlling interests in subsidiaries (Note 43)	-	-	-	-	(46,371)	(46,371)	-	3,309,736	3,263,365
Contribution in kind from a shareholder (Note 42)	-	-	2,440,523	-	-	2,440,523	-	3,825,105	6,265,628
Transfer from non-controlling interests on dilution of ownership (Note 43)	-	-	-	-	326,407	326,407	-	(326,407)	-
Acquisition of non-controlling interests (Note 43)	-	-	-	-	(633,712)	(633,712)	-	(166,288)	(800,000)
Dividend	-	-	-	-	-	-	-	(1,947,127)	(1,947,127)
Transfer to statutory reserve	-	367,083	-	-	(367,083)	-	-	-	-
Movement in non-controlling interests on disposal of subsidiaries (Note 38)	-	-	-	-	-	-	-	(216,433)	(216,433)
Payment to non-controlling interests towards contributed capital	-	-	-	-	-	-	-	(20,000)	(20,000)
Transfer of fair value reserve of equity instruments designated at FVOCI				(3,594)	3,594	-	-	-	-
Non-controlling interests arising from formation of a subsidiary	-	-	-	-	-	-	-	292	292
Balance at 31 December 2022	**10,000,000**	**685,408**	**11,539,393**	**(493,604)**	**10,163,414**	**31,894,611**	**1,815,646**	**36,328,703**	**70,038,960**

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

Consolidated statement of cash flows for the year ended 31 December 2022

	Notes	2022 AED '000	2021 AED '000
Cash flows from operating activities			
Profit before tax		**10,675,906**	5,173,455
Adjustment for non-cash charges:			
Depreciation of property, plant and equipment	**5**	**1,157,860**	512,019
Amortisation of intangible assets	**6**	**236,986**	93,263
Depreciation of right-of-use assets	**9**	**128,892**	31,625
Depreciation of investment properties	**8**	**488,103**	10,217
Provision for employees' end of service benefits	**26**	**256,167**	122,876
Re-measurement of biological assets		**(1,153)**	(5,314)
Share of results of associates and joint ventures	**10**	**357,555**	(9,300)
Gain on disposal of associates	**10**	**(3,879,900)**	-
Interest expense on lease liabilities	**37**	**61,172**	15,760
Gain on disposal of property, plant and equipment		**(272,018)**	(1,531)
(Gain) / loss on lease modifications and cancellations	**9**	**(3,341)**	2,446
Net changes in fair value of derivative financial instruments		**(23,150)**	(4,611)
Net changes in fair value of financial investments		**198,105**	(232,042)
Gain on disposal of investment properties		**(22,252)**	-
Finance income	**37**	**(236,553)**	(23,277)
Finance costs	**37**	**522,626**	101,597
Impairment of property, plant and equipment	**5**	**(299,935)**	32,021
Impairment of intangible assets	**6**	**569**	-
Impairment of development work-in-progress	**17**	**73,333**	-
Impairment of associates and joint ventures	**10**	**135,729**	-
Impairment of right-of-use-assets and investment properties		**-**	4,148
Gain on bargain purchase of subsidiaries	**42**	**(416,372)**	-
Fair value gain arising on re-measurement of an associate	**10**	**(116,430)**	-
Dividend income		**(324,775)**	-
Write off of property, plant and equipment	**5**	**23,432**	-
Goodwill impairment	**7**	**265**	-
Intangible assets written-off	**6**	**6,441**	-
Development work-in-progress written-off	**17**	**37,714**	-
Land-held-for-sale written-off		**71,191**	-
Provision for slow moving and obsolete inventories	**16**	**6,168**	2,902
Amortisation of borrowing costs		**(4,868)**	799
Gain on disposal of subsidiaries	**38**	**(107,449)**	-
Other gains		**(32,998)**	6,658
Impairment loss on financial assets		**372,170**	470,895
Operating cashflows before movement in working capital		**9,069,190**	6,304,606

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

Consolidated statement of cash flows for the year ended 31 December 2022 (continued)

	Notes	2022 AED '000	2021 AED '000
Movement in working capital			
Inventories		**847,803**	(11,413)
Trade and other receivables		**3,333,442**	3,410,932
Contract assets		**(803,112)**	(283,078)
Due from related parties		**(372,911)**	100,190
Islamic financing assets		**-**	(606,342)
Development work-in-progress		**(617,502)**	(252)
Contract liabilities		**5,984,169**	585,416
Trade and other payables		**(4,687,639)**	399,640
Due to related parties		**929,160**	(1,678,674)
Deferred tax		**(38,378)**	(3,492)
Margins against letters of guarantee		**-**	(257,941)
Cash generated from operating activities		**13,644,222**	7,959,592
Employees' end of service benefits paid	**26**	**(171,561)**	(129,673)
Income tax paid		**(110,029)**	(15,439)
Net cash generated from operating activities		**13,362,632**	7,814,480
Cash flows from investing activities			
Purchases of property, plant and equipment	**5**	**(3,299,894)**	(410,321)
Cash acquired on business combinations		**12,541,920**	1,732,524
Disposal of property, plant and equipment		**321,281**	14,376
Purchases of investment properties		**(4,904,358)**	-
Disposal of investment properties		**176,744**	-
Disposal of investments in financial assets		**400,836**	104,948
Purchases of intangible assets	**6**	**(70,900)**	(3,465)
Purchases of biological assets		**(582)**	(114)
Dividend income received		**329,099**	2,455
Purchases of investments in associates and joint ventures		**(1,647,964)**	(248,211)
Disposal of investments in associates and joint ventures		**41,314**	18,800
Purchases of investments in financial assets	**12**	**(5,644,276)**	(324,174)
Net cash outflow on disposal of subsidiaries		**(139,303)**	-
Purchase of right-of-use assets		-	(1,943)
Deposit placed with banks		**(2,365,988)**	(211,460)
Net movement in restricted cash		**(5,502,339)**	(38,274)
Finance income received		**185,650**	23,017
Cash paid on acquisition of subsidiaries	**42**	**(542,645)**	(22,690)
Cash received on reduction of capital of associates	**10**	**32,000**	-
Net cash (used in) / generated from investing activities		**(10,089,405)**	635,468

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

Consolidated statement of cash flows for the year ended 31 December 2022 (continued)

	Notes	2022 AED '000	2021 AED '000
Cash flows from financing activities			
Repayment of bank borrowings		**(5,774,151)**	(1,051,592)
Bank borrowings		**10,533,804**	850,076
Dividend paid to holders of non-controlling interests		**(1,645,877)**	(1,201,772)
Coupon paid on hybrid equity instruments		**(51,645)**	-
Issue of hybrid equity instruments	**24**	**689,007**	-
Repayment of loan to holders of non-controlling interests		**(20,000)**	1,023
Disposal of non-controlling interests in subsidiaries		**3,263,365**	-
Finance costs paid		**(402,254)**	(66,664)
Payment of lease liabilities	**9**	**(126,374)**	(39,053)
Repayment of contributed capital		**-**	(20,000)
Payment for derivative financial instruments		**(13,840)**	(16,925)
Net cash generated from / (used in) financing activities		**6,452,035**	(1,544,907)
Net increase in cash and cash equivalents		**9,725,262**	6,905,041
Effect of foreign exchange rate changes		**252,871**	9,936
Cash and cash equivalents at the beginning of the year		**6,967,049**	52,072
Cash and cash equivalents at the end of the year	**19**	**16,945,182**	6,967,049
Non-cash transactions:			
Net assets transferred under common control business combinations	**41**	**1,046,705**	19,823,076
Dividend declared to non-controlling interests		**87,511**	756,000
Consideration receivable on disposal of subsidiaries	**38**	**760,330**	-
Consideration payable on acquisition of controlling interest in a subsidiary	**43**	**800,000**	-
Contribution by a shareholder	**42**	**6,236,347**	1,333,407

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

Notes to the consolidated financial statements for the year ended 31 December 2022

1 General information

Alpha Dhabi Holding PJSC (the "Company") is a public joint stock company registered in the Emirate of Abu Dhabi, United Arab Emirates. Its parent company is International Holding Company PJSC. The Company's registered address is P.O. Box 111059, Abu Dhabi, United Arab Emirates and its ordinary shares are listed on the Abu Dhabi Securities Exchange.

The principal activities of the Company and its subsidiaries (together referred to as "the Group") carried out both in the UAE and abroad include:

- Medical services including management of hospitals, testing laboratories and medical clinics;
- Development, sale, investment, leasing, management and associated services for real estate;
- Engineering and construction contracting of buildings, infrastructure, earth and civil works;
- Engineering, procurement and dredging contracts and associated land reclamation works in the territorial waters of different countries;
- Oil and gas engineering, construction and operation management services;
- Tourism and hospitality-related investments, development and management;
- Industrial production-related investments, development and management;
- Forestry and natural vegetation management including farming, agricultural investments and management;
- Production and supply of ready-mix concrete;
- Investment in a diverse range of industries;
- Manufacturing, supply, installation and fabrication of aluminium and glass panels;
- Security services;
- Manufacturing of motor vehicles;
- Facilities management services;
- Renewable energy power plant installation and maintenance of energy equipment;
- Digital banking services; and
- Health insurance solutions.

2 Significant accounting policies

2.1 Basis of preparation

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the applicable provisions of U.A.E. Federal Decree Law No. (32) of 2021.

Federal Law No. 32 of 2021 on Commercial Companies (the "New Companies Law") was issued on 20 September 2021 and has come into effect on 2 January 2022, to entirely replace Federal Law No. 2 of 2015 on Commercial Companies, as amended. The Company has applied the requirements of the New Companies Law during the year ended 31 December 2022.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Accounting convention

These consolidated financial statements have been prepared on the historical cost basis except for financial assets carried at fair value through other comprehensive income, fair value through profit and loss, derivative financial instruments and biological assets that have been measured at fair value at the end of each reporting period, as explained in the accounting polices given below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of a financial asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realizable value ('NRV') in IAS 2 or value in use in IAS 36.

Functional and presentation currency

These consolidated financial statements are presented in United Arab Emirates Dirhams (AED) which is the functional and presentation currency of the Group and all values are rounded to the nearest thousand except when otherwise indicated.

Going concern

The directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved where the Company has:

- power over the investee;
- is exposed, or has rights, to variable returns from its involvement; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not it's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

When the Group loses control of a subsidiary, a gain or loss is recognised in consolidated statement of profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in consolidated statement of comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified consolidated statement of to profit or loss or transferred to another category of equity as specified / permitted by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

These consolidated financial statements include the financial performance and position of the following subsidiaries, all of which are incorporated in the UAE:

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Alpha Dhabi Commercial Investment – Sole Proprietorship LLC	**100%**	100%	Investment holding
Alpha Dhabi Construction Holding LLC	**100%**	100%	Investment holding
Alpha Dhabi Health Holding LLC	**100%**	100%	Investment holding
Alpha Dhabi Hospitality Holding LLC	**100%**	100%	Investment holding
Alpha Dhabi Industries Holding LLC	**100%**	100%	Investment holding
Alpha Dhabi Partners Holding LLC	**100%**	100%	Investment holding
Alpha Dhabi Investment Management LLC	**100%**	-	Management services
Alpha Dhabi Energy Holding LLC	**100%**	-	Investment holding
Trojan Construction Group – Sole Proprietorship LLC	**100%**	100%	Investment holding
Murban Energy Limited	**100%**	100%	Investment holding
Mawarid Holding Investment LLC ("MHI")	**90%**	70%	Investment holding
Aldar Properties PJSC ("Aldar")	**32%**	-	Real estate and investment holding
Sogno Commercial Investment – Sole Proprietorship LLC	**100%**	100%	Investment holding

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
W A S Two Commercial Investment – Sole Proprietorship LLC	**100%**	100%	Investment holding
Sublime Commercial Investment – Sole Proprietorship LLC	**100%**	100%	Investment holding
Pure Health Holding LLC ("PHH")	**39%**	-	Health care investments
C D Properties - Sole Proprietorship LLC	**100%**	100%	Investment holding
Emirates Gateway Securities Services LLC	**95%**	95%	Security services
Sublime Two Investment Sole Proprietorship LLC	**100%**	100%	Investment holding
Sogno Two Sole Proprietorship LLC	**100%**	100%	Investment holding
Sogno Three Sole Proprietorship LLC	**100%**	100%	Investment holding
Trojan General Contracting LLC	**100%**	100%	Construction contracting
National Projects and Construction LLC	**100%**	100%	Infrastructure construction and related projects
Royal Advance Electromechanical LLC	**100%**	100%	Electromechanical services
Al Maha Modular Industries LLC	**100%**	100%	Pre-cast structure manufacturing
Hi-Tech Concrete Products LLC	**100%**	100%	Building of projects and general contracting
Reem Emirates Aluminum LLC	**100%**	100%	Manufacture and installation of aluminium and glass products
Phoenix Timber Factory LLC	**100%**	100%	Manufacture of timber products
Reem Ready Mix LLC	**60%**	60%	Concrete mixing and supply
Trojan Property Investments LLC	**100%**	100%	Real estate investments
7E - Sole Proprietorship LLC	**100%**	-	Building, project management, property management services, design services and security systems consultancy

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Etihad International Hospitality LLC – Sole Proprietorship LLC	**100%**	100%	Hospitality services, cleaning services, gas field facilities services and catering
Abu Dhabi United Hospitality – Sole Proprietorship LLC	**100%**	100%	Tourism investments, restaurants management and catering
St. Regis Saadiyat Island Resort – Abu Dhabi	**100%**	100%	Hotels and resort ownership
Al Wathba A Luxury Collection Desert Resort & Spa – Sole Proprietorship LLC	**100%**	100%	Hotel and resort ownership
Le Noir Cafe – Sole Proprietorship LLC	**100%**	100%	Catering, hospitality services and restaurants
Int'l Fresh Harvest Fruits and Vegetables Trading - Sole Proprietorship LLC	**100%**	100%	Trading of foodstuff
Barari Natural Resources LLC	**90%**	70%	Forest and park management, parks construction and maintenance
Barari Natural Resources LLC - Dubai Branch	**90%**	70%	Forest and park management, parks construction and maintenance
Telal Resort LLC	**90%**	70%	Management of resorts and operation of recreational preservations
Aqua Power Technology LLC	**90%**	70%	Trading in agricultural machinery and equipment
Campaign Facilities Management Services LLC	**90%**	70%	Facilities management
Dicon Investment LLC	**90%**	70%	Administrative and business services

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Best Twasol Government Services LLC	**90%**	70%	Administrative and business services
Twasol Business Men Service LLC – Br Abu Dhabi	**90%**	70%	Administrative and business services
Twasol Business Men Service LLC – Dubai	**90%**	70%	Administrative and business services
Al Forsan Tadbeer Center LLC – Dubai	**90%**	70%	Administrative and business services
Al Forsan Tadbeer Center LLC – Abu Dhabi	**90%**	70%	Administrative and business services
Al Twasol Al Mutamiz Guidance LLC - Abu Dhabi	**90%**	70%	Administrative and business services
Al Tawasol Al Mutamiz Guidance LLC	**90%**	70%	Administrative and business services
Emirates Safety Laboratory LLC	**90%**	70%	Compliance certification for building construction products
Mawarid Al Mutahida Investment owned by Mawarid Holding Investment – Sole Proprietorship L.L.C.	**90%**	70%	Investment and management of tourist enterprises and agricultural enterprises.
Mawarid Hotels and hospitality LLC	**90%**	70%	Management of hotels, tourist resorts and hotel apartments
Mawarid Services Company LLC	**90%**	70%	Facilities management services, agricultural land cultivation, wholesale of plants and trees.
Al Ain Fodder Factory LLC	**90%**	-	Manufacture animal feed
Aldar Education - Sole Proprietorship LLC	**32%**	-	Education services
Aldar Hotels and Hospitality LLC	**32%**	-	Hospitality services
Aldar Marinas LLC	**32%**	-	Managing and operating marinas, sports clubs and marine machinery
Provis Real Estate Management - Sole Proprietorship LLC	**32%**	-	Management and leasing of real estate

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Provis Real Estate Brokers LLC	**32%**	-	Real estate brokerage
Yas Links LLC	**32%**	-	Ownership and management of golf courses and golf clubs
Pivot Engineering & General Contracting Co. (WLL)	**21%**	-	Engineering and general construction works
Aldar Investment Properties LLC	**28%**	-	Real estate services and the operation of hotels
Aldar Investment Holding Restricted Limited (“AIHR”)	**28%**	-	Special purpose vehicle, proprietary asset management company
Khidmah - Sole Proprietorship LLC	**32%**	-	Management and leasing of real estate
Saadiyat Accommodation Village LLC	**32%**	-	Accommodation services
Cloud Spaces - Sole Proprietorship LLC	**32%**	-	Real estate lease and management services
Eastern Mangroves Marina - Sole Proprietorship LLC	**32%**	-	Managing and operating marinas
Marsa Al Bateen - Sole Proprietorship LLC	**32%**	-	Managing and operating marinas
Advanced Real Estate Services - Sole Proprietorship LLC	**32%**	-	Real estate services
Aldar Investments Limited	**32%**	-	Investment holding
Pacific Owners Association Management Services LLC	**32%**	-	Management of owners’ associations
Aldar Ventures International Holding RSC Limited	**32%**	-	Investment holding
Aldar Projects LLC	**32%**	-	Project management services
Tasareeh Engineer Services - Sole Proprietorship LLC	**32%**	-	Development consultancy
Aldar Investment Management Limited	**32%**	-	Assets management
Asteco Property Management LLC	**32%**	-	Property management services

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Aldar Logistics - Sole Proprietorship LLC	**32%**	-	Real estate lease and management services
The Gateway Engineering Services - Sole Proprietorship LLC	**32%**	-	Development consultancy
Al Seih Real Estate Management LLC	**29%**	-	Investment management and leasing of real estate.
Seih Sdeirah Real Estate LLC	**29%**	-	Property rental and management; real estate projects investment
Saadiyat Grove - Sole Proprietorship LLC	**32%**	-	Real estate development
Aldar Logistics Holding Limited	**32%**	-	Investment holding
Twafq Projects Development Property LLC	**22%**	-	Real estate lease and management services
Abu Dhabi Business Hub LLC - Sole Proprietorship L.L.C.	**22%**	-	Real estate lease and management services
Aldar Lifestyle - Sole Proprietorship LLC	**32%**	-	Hospitality services
Al Shohub Private School - Sole Proprietorship L.L.C.	**32%**	-	Educational services
Pactive Sustainable Solutions LLC	**32%**	-	Facilities management
Mace Macro Technical Services L.L.C.	**32%**	-	Facilities management
Spark Security Services – LLC	**32%**	-	Security services
Aldar Island Hotel - Sole Proprietorship L.L.C.	**32%**	-	Hospitality services
Double Tree by Hilton Resort & SPA Marjan Island LLC	**32%**	-	Hospitality services
Confluence Partners (HQ) RSC LTD	**32%**	-	Managing real estate
Aldar Hansel SPV Restricted SPV LTD (“AHSPV”)	**16%**	-	Real estate development
Saga International Owners Association Management Services LLC	**32%**	-	Property management services

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Saga OA DMCC	**32%**	-	Property management services
Al Maryah Property Holding Limited	**19%**	-	Real estate holding
Bab Resorts LLC	**32%**	-	Hospitality services
Enigma Commercial Investment - Sole Proprietorship LLC	**100%**	-	Investment holding
Pure Lab LLC	**39%**	63%	Healthcare services
One Health LLC	**39%**	63%	Healthcare services
The Medical Office Facilities Management LLC	**39%**	63%	Healthcare services
Rafed Healthcare Supplies L.L.C	**39%**	63%	Wholesale storage and supply of medical equipment and medication
Union 71 Medical Facilities Management LLC	**39%**	63%	Management of medical laboratories
Pure Health Medical Supplies LLC (“PHMS”)	**39%**	63%	Healthcare services
Tamouh Healthcare LLC	**39%**	-	Healthcare services
Yas Clinics Group Sole Proprietorship LLC	**39%**	-	Healthcare services
Abu Dhabi Stem Cells Center Sole Proprietorship LLC	**39%**	-	Healthcare research centers
National Health Insurance Company – PJSC (Daman)	**39%**	-	Health insurance provider
Abu Dhabi Health Services Company – PSC (SEHA)	**39%**	-	Healthcare services
The Life Corner LLC	**39%**	-	Pharmacy management services
Protect 7 Healthcare – Sole Proprietorship LLC	**39%**	-	Retail sale of medical equipment
Somerian Health LLC (formerly Medi Q Healthcare & Clinic LLC)	**31%**	-	Healthcare services
American Crescent Health Care Centre – Sole Proprietorship LLC	**31%**	-	Healthcare services

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Genqore Drug Store L.L.C	**28%**	-	Pharmaceutical products trading
Yas Clinic Al Mushrif – Sole Proprietorship LLC	**39%**	-	Operation and management of medical complex
Yas Clinic Center – Al Ain Sole Proprietorship LLC	**39%**	-	Operation and management of medical complex
Yas Clinic Khalifa City – Sole Proprietorship LLC	**39%**	-	General hospital, management of medical facilities, pharmacy and ambulance services.
Yas Clinic One Day Surgery – Sole Proprietorship LLC	**39%**	-	Healthcare services
Medlife – Sole Proprietorship LLC	**39%**	-	Management of medical facilities
AIC Medical Center Sole Proprietorship LLC	**39%**	-	Operation and management of medical complex
ALD Medical Clinic Sole Proprietorship LLC	**39%**	-	Supply of general medicine
AMH Medical Clinic – Sole Proprietorship LLC	**39%**	-	Supply of general medicine
CHC Medical Clinic – Sole Proprietorship LLC	**39%**	-	Supply of general medicine
HHC Medical Clinic – Sole Proprietorship LLC	**39%**	-	Supply of general medicine
ILLC Medical Clinic – Sole Proprietorship LLC	**39%**	-	Supply of general medicine
AMC Medical Clinic – Sole Proprietorship LLC	**39%**	-	Supply of general medicine
Sehaty Medical Center – Sole Proprietorship LLC	**39%**	-	Operation and management of medical complex
Golden Health Medical Mobile – Sole Proprietorship LLC	**39%**	-	Mobile medical services
Al Haneen Pharmacy – Sole Proprietorship LLC	**39%**	-	Supply of pharmaceutical products
Good Care Pharmacy – Sole Proprietorship LLC	**39%**	-	Supply of pharmaceutical products

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Healing Pharmacy – Sole Proprietorship LLC	**39%**	-	Supply of pharmaceutical products
Med Care Pharmacy – Sole Proprietorship LLC	**39%**	-	Supply of pharmaceutical products
YAS Pharmacy – Sole Proprietorship LLC	**39%**	-	Supply of pharmaceutical products
YAS Pharmacy Ladies Club – Sole Proprietorship LLC	**39%**	-	Supply of pharmaceutical products
Yas Clinic Hospital – Sole Proprietorship LLC	**39%**	-	Healthcare services
Yas City Pharmacy – Sole Proprietorship LLC	**39%**	-	Supply of pharmaceutical products
ADSCC Pharmacy Sole Proprietorship LLC	**39%**	-	Supply of pharmaceutical products
Independent Healthcare Information Technology Services L.L.C	**39%**	-	Information technology related services.
Plus International Medical Center – Sole Proprietorship L.L.C	**39%**	-	Natural and rehabilitation medical centre related services
National Marine Dredging Company PJSC (“NMDC”)	**68%**	68%	Engineering, procurement and construction contracting, dredging contracts and associated land reclamation works
National Petroleum Construction Company PJSC (“NPCC”)	**68%**	68%	Engineering, procurement and construction contracts
Emarat Europe Fast Building Technology System Factory LLC	**68%**	68%	Manufacturing and supply of precast concrete
ADEC Engineering Consultancy LLC	**68%**	68%	Civil, architectural, drilling and marine engineering consultancy services
Sandstorm Motor Vehicles Manufacturing LLC	**65%**	65%	Motor vehicles manufacturing
W Solar Investment LLC	**75%**	-	Renewable energy power plant installation and maintenance

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

These consolidated financial statements also include the financial performance and position of the following overseas subsidiaries:

Name of subsidiaries	Effective ownership		Place of incorporation	Principal activities
	2022	2021		
Branch of Trojan General Contacting LLC	**100%**	100%	Russia	Hospitality services
Churcill LLC	**100%**	100%	Russia	Hospitality services
Trojan Egypt Contracting	**100%**	100%	Egypt	Construction contracting
Hi-Tech Concrete Products LLC	**100%**	100%	Saudi Arabia	Construction contracting
Murban Investment Limited	**100%**	100%	British Virgin Islands	Investment holding
I&T Management Private Limited	**100%**	100%	Maldives	Tourist resort operation
Hill View (Seychelles) Limited	**100%**	100%	Seychelles	Hotel resort holding
Daman Healthcare Solutions GmbH	**39%**	-	Germany	Provision of services in international healthcare management.
Abu Dhabi Marine Dredging Co S.P.C.	**68%**	68%	Bahrain	Offshore reclamation, marine and excavation contracts
National Marine and Infrastructure India (Private) Limited	**68%**	68%	India	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction
National Petroleum Construction Co. (Saudi) LTD.	**68%**	68%	Saudi Arabia	Engineering, construction and procurement
NPCC Engineering Limited	**68%**	68%	India	Engineering, construction and procurement
ANEWA Engineering Private Limited	**55%**	55%	India	Engineering, construction and procurement

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Place of incorporation	Principal activities
	2022	2021		
Aldar Sukuk (No. 1) Ltd.	**32%**	-	Cayman Island	Special purpose entity for sukuk issuance
Aldar Sukuk (No. 2) Ltd.	**32%**	-	Cayman Island	Special purpose entity for sukuk issuance
Aldar Sukuk (No. 3) Ltd.	**32%**	-	Cayman Island	Special purpose entity for sukuk issuance
Six October for Development and Investment Co. S.A.E. (SODIC)	**19%**	-	Egypt	Real estate development
Transcend Blocker LLC	**100%**	-	USA	Investment holding

The Group includes the follow dormant subsidiaries, which had no operations in the current or prior year:

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Trojan Development LLC	**100%**	100%	Real estate investment
Reem Emirates General Contracting LLC- Dubai	**100%**	100%	Real estate investment
Ersa General Contracting LLC	**100%**	100%	Building projects contracting
Hi-Tech Line Building Construction LLC	**100%**	100%	Building projects contracting
Hi-Tech Emirates for General Contracting LLC	**100%**	100%	Building projects contracting
Murban BVI Holding Inc. (BVI)	**100%**	100%	Investment holding company
Sitax Investment Ltd (BVI)	**100%**	100%	Investment holding company
Sitax Holding Ltd (BVI)	**100%**	100%	Investment holding company
M Commodities - Sole Proprietorship LLC	**100%**	100%	General commodity trading

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Lindere Villas (Seychelles) Limited	**100%**	100%	Investment holding company
Mawarid Centre for Research and Scientific Laboratories LLC	**90%**	70%	Environmental consultancy, studies and research
Mawarid International Development Company LLC	**90%**	70%	Real estate investment and management
Mawarid Nurseries LLC	**90%**	70%	Wholesale supply of plants
Mawarid Security Services LLC.	**90%**	70%	Public security guarding services
Gulf Fire Nanotechnology LLC	**90%**	70%	Firefighting and safety equipment trading
Mawarid International Investment LLC	**90%**	70%	Investment holding
Dicon Business LLC	**90%**	70%	Administrative services for businessmen
Dicon of Twafouq Services LLC	**90%**	70%	Operating Twafouq service centres
Khattar Restaurant & Café - Sole Proprietorship LLC	**90%**	70%	Tourism and restaurant services
Desert Gate Restaurant - Sole Proprietorship LLC	**90%**	70%	Tourism and restaurant services
Desertology Spa - Sole Proprietorship LLC	**90%**	70%	Relaxation and wellness centre
Desertology - Sole Proprietorship LLC	**90%**	70%	Women’s wellness and health club
Barari International Limited Company	**90%**	70%	Land preparation, irrigation systems works and maintenance
Aafaq Enterprise LLC	**90%**	70%	Management services
Spark Security Services – Sole Proprietorship LLC	**32%**	-	Security services
Pure Investment LLC	**39%**	63%	Healthcare services
Pure Health Capital LLC	**39%**	63%	Healthcare services
Union Health Facilities Management LLC	**39%**	63%	Healthcare services
Dawak Healthcare Supplies LLC	**39%**	63%	Healthcare services
Telldoc Technology LLC	**39%**	63%	Healthcare services
Medclaim Billing Services LLC	**39%**	63%	Healthcare services

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Pure Health Facilities Management LLC	**39%**	63%	Healthcare services
Pure Care Facilities Management LLC	**39%**	63%	Healthcare services
Pure Health Investment – Sole Proprietorship L.L.C	**39%**	63%	Healthcare services
Society Travel L.L.C.	**39%**	-	Healthcare services
INOCHI Healthcare Sole Proprietorship LLC	**39%**	-	Healthcare services
Medi Q Healthcare LLC	**20%**	-	Healthcare services
Yas Clinic Saadiyat – Sole Proprietorship LLC	**39%**	-	Operation and management of medical complex
Yas Clinic Emirates – Sole Proprietorship LLC	**39%**	-	Healthcare services
Qemmat Al Shumookh Properties – Sole Proprietorship L.L.C	**39%**	-	Real estate investment
National Marine Dredging Company (Industrial)	**68%**	68%	Investment holding
NPCC Services Malaysia SDN	**68%**	68%	Engineering, procurement and construction
Abu Dhabi for Construction Projects	**68%**	68%	Engineering, procurement and construction

The Group has disposed the following companies during the year:

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Pure Capital Investments LLC	**-**	63%	Investment in commercial enterprises
Pure Health (FZE)	**-**	63%	Trading in pharmaceuticals and related products
Pure Health Medical Supplies (FZE)	**-**	63%	General trading including pharmaceuticals related products
Pure CS IT Infrastructure LLC	**-**	63%	IT Infrastructure
Pure Health Medical Billing Services LLC	**-**	63%	Medical billing services

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of subsidiaries	Effective ownership		Principal activities
	2022	2021	
Magenta International Investment LLC	-	56%	Holding company
Magenta Pharma Medical Holding LLC	-	56%	Trading of medical and surgical products
Magenta Investments LLC	-	56%	Healthcare enterprises and management
Magenta Medical Investments LLC	-	56%	Investment in healthcare enterprises development
Magenta Medical Requisites Trading LLC	-	56%	Trading of medical and surgical products
Two Five 55 Healthcare Investment LLC	-	63%	Investment in commercial healthcare enterprises
Aafaq Islamic Finance P.S.C.	-	56%	Islamic financing and investing activities
National Bank of Sudan	-	56%	Islamic financing and investing activities
Al Forsan Tadbeer Center L.L.C - Ajman	-	70%	Administrative and businessmen
Twasol Businessmen Service LLC – Ajman	-	63%	Administrative and businessmen
M H I Investment LLC	-	63%	Investment in commercial enterprises
Info Nine Smart Solutions LLC	-	63%	Designing computer systems and communication equipment

The following associates, joint ventures, and joint operations together with their ownership is detailed below, with their results reflected in these consolidated financial statements.

Name of associates	Percentage of ownership		Country of incorporation	Principal activities
	2022	2021		
Q Holding PJSC (“Q Holding”)	**20%**	25%	U.A.E.	Real estate and hospitality
Canal Sugar S.A.E. “Canal Sugar”	**33%**	33%	Egypt	Sugar farming and production

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of associates	Percentage of ownership		Country of incorporation	Principal activities
	2022	2021		
Response Plus Holding PrJSC ("RPM")	**36%**	36%	U.A.E.	Emergency healthcare services
Century Real Estate Management LLC	**13%**	13%	U.A.E.	Management of labour camps and accommodation
Abu Dhabi Mountain Gate Property Investment LLC (under liquidation)	**13%**	13%	U.A.E.	Real estate investment
Safeen Survey and Subsea Services LLC	**49%**	-	U.A.E.	Marine services related to oil industries
Al Jazira Technical Solutions and Consulting LLC	**35%**	35%	U.A.E.	Consulting in computer devices and equipment
Principia SAS	**33%**	33%	France	Engineering and consultancy
B G I for Commercial Investment LLC	**30%**	30%	Mozambique	Project management
Abu Dhabi Finance PJSC	**32%**	-	U.A.E.	Real estate finance company
Al Sdeirah Real Estate Investment LLC	**30%**	-	U.A.E.	Real estate investment
Iskandar Holdings Limited	**19%**	-	Cayman Islands	Real estate investment
Royal Gardens for Investment Property Co.	**20%**	-	Egypt	Real estate development
PAL 4 Solar Energy LLC ("PAL 4 Solar")	**20%**	-	U.A.E.	Maintenance of energy equipment
Gordon Technologies LLC ("Gordon")	**25%**	-	U.S.A.	Sale of directional drilling equipment, technology and services to oil and gas drilling industries.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of joint ventures	Percentage of ownership		Country of incorporation	Principal activities
	2022	2021		
China Railway Construction Corporation Abu Dhabi Branch ('CRCC') and National Projects Construction LLC ('NPC') Joint venture CRCC-NPC JV" ('CRCC-NPC')	**49%**	49%	U.A.E.	Construction project entity
The Challenge Egyptian Emirates Egypt Marine Dredging Company ("CEEMDC")	**49%**	49%	Egypt	Construction project entity
Ssangyong Engineering and Construction Co Ltd and Trojan General Contracting Joint venture	**40%**	40%	U.A.E.	Construction project entity
Trojan General Contracting and Six Construct Limited – Guggenheim Museum	**50%**	50%	U.A.E.	Construction project entity
Trojan General Contracting and Six Construct Limited –Zayed National Museum	**50%**	50%	U.A.E.	Construction project entity
Royal House LLC	**50%**	-	U.A.E.	Hotel operating company
Al Raha International Integrated Facilities Management LLC (under liquidation)	**50%**	-	U.A.E.	Facilities management company
Galaxy Building Materials LLC (under liquidation)	**45%**	-	U.A.E.	Building materials supply
Palmyra SODIC Real Estate Development	**50%**	-	Syria	Real estate development
WIO Holding Restricted Limited ("WIO Holding")	**51%**	-	U.A.E.	Investment holding
MICAD Credit JV RSC Ltd	**20%**	-	U.A.E.	Investment holding
Munich Health Daman Holding Limited ("Munich Health Daman")	**49%**	-	U.A.E.	Healthcare services

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

Name of joint ventures	Percentage of ownership		Country of incorporation	Principal activities
	2022	2021		
MW Energy Limited ("MW Energy")	**50%**	-	U.A.E.	Renewable energy investment
Mawarid Desert Control L.L.C.	**50%**	-	U.A.E.	Land irrigation system installation and maintenance

Name of joint operations	Percentage of ownership		Principal activities
	2022	2021	
Technip – NPCC Satah Full Field	**50%**	50%	Construction project
NPCC – Technip UZ-750 (EPC-1)	**40%**	40%	Construction project
NPCC – Technip UL -2	**50%**	50%	Construction project
NPCC – Technip AGFA	**50%**	50%	Construction project
NPCC – Technip JV – US GAS CAP FEED	**50%**	50%	Construction project
NPC-ATC JV	**50%**	50%	Construction project
NPC-BCEG JV	**50%**	50%	Construction project

There are certain joint operations which are inoperative and have insignificant balances at year end.

2.2 Summary of significant accounting policies

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in the consolidated statement of profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except:

- Deferred tax assets or liabilities in accordance with IAS 12;
- Assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 19;
- Liabilities or equity instruments related to share-based payment arrangements measured in accordance with IFRS 2; and
- Assets (or disposal groups) that are classified as held-for-sale in accordance with IFRS 5.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Business combinations (continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), then the excess is recognised immediately in the consolidated statement of profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is re-measured to fair value at subsequent reporting dates with changes in fair value recognised in the consolidated statement of profit or loss.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are re-measured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in the consolidated statement of profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in the consolidated statement of comprehensive income are reclassified to the consolidated statement of profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Business combinations under common control

A business combination involving entities or businesses under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the combination and that control is not transitory.

Transactions giving rise to transfer of interests in entities, which are under the common control of the Group are accounted for using the pooling of interest method at the date of transfer. Such transactions are presented without restatement of prior periods and are outside the scope of IFRS 3. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the books of the transferor entity at the transfer date. The components of equity of the acquired entities are added to the same components within Group equity, except those which are eliminated on consolidation. Any difference between the consideration paid and capital of the acquiree is recognised directly in merger reserve.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment is its purchase cost together with any incidental expense of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

Depreciation is charged so as to write off the cost of the property, plant and equipment using the straight-line method over their estimated useful lives as follows:

	Years
Buildings and base facilities	5-47
Dredgers, machinery and equipment	1-30
Barges, support vessels and vehicles	1-40
Furniture, equipment and leasehold improvements	2-20

Land is not depreciated.

The estimated useful lives, residual values and depreciation methods are reviewed annually, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit or loss.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Capital work-in-progress

Properties or assets in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes all direct costs attributable to the design and construction of the asset including related staff costs, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. When the assets are ready for its intended use, the cost is transferred to the appropriate asset category and is depreciated in accordance with the Group's accounting policies.

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and impairment losses, if any. Amortisation is recognised on a straight-line basis over the assets estimated useful lives as follows:

	Years
Software	3-10
Customer related intangibles	5-20
Trademarks	3-8
Brand	10

The estimated useful life and amortisation method are reviewed annually, with the effect of any changes in estimate being accounted for on a prospective basis. Customer related intangibles include customer relationships and customer contracts.

Intangible assets with indefinite useful lives i.e., brand that are acquired separately are tested for impairment and carried at cost less accumulated impairment losses, if any.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date.

Subsequent to initial recognition, they are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected to arise. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in consolidated statement of profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Borrowing costs (continued)

All other borrowing costs are recognised in the consolidated statement of profit or loss in the period in which they are incurred.

Biological assets

Biological assets are measured on initial recognition and at end of each reporting period at fair value less estimated costs to sell, unless at initial recognition that fair value cannot be measured reliably. In such cases, the entity measures the biological asset at historic cost less any accumulated depreciation and any accumulated impairment losses unless / until fair value becomes reliably measurable. The fair values are determined based on current market prices of similar type of assets. Costs to sell include commission to brokers and dealers.

A gain or loss on initial recognition of biological assets at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell of biological assets shall be included in the consolidated statement of profit or loss in the period in which it arises.

Goodwill

Goodwill is initially recognised and measured as mentioned in the business combination policy.

Goodwill is not amortised but is tested for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

Investment properties

Investment property, which is property held to earn rental income and / or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs.

Depreciation is calculated using the straight-line method over their expected useful life which ranges from 15 to 47 years. The estimated useful life, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Investment properties (continued)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the asset. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss.

Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

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

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Leases (continued)

The Group as a lessee (continued)

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revise discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets

The value right-of-use assets comprise the initial measurement of the corresponding lease liability, plus lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the asset. If a lease transfers ownership of the underlying asset or the cost of the asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Depreciation is charged so as to write off the cost of the assets using the straight-line method over their estimated useful lives or lease term, whichever is shorter, as follows:

	Years
Buildings	1-50
Land	1-65
Machinery	1-7

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Leases (continued)

Right-of-use assets (continued)

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as a lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Subsequent to initial recognition, the Group regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of IFRS 9, recognising an allowance for expected credit losses ("ECL") on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e., after a deduction of the loss allowance).

When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Impairment of non-financial assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its non-financial assets including property, plant and equipment, investment property, right-of-use assets and intangible assets to determine whether there is any indication that those non-financial assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease with any excess impairment loss recognised in the consolidated statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Investments in associates and joint ventures (continued)

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held-for-sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in an associate or a joint venture is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in the consolidated statement of profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture. When the Group retains an interest in the former associate or a joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or a joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or a joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Investments in associates and joint ventures (continued)

In addition, the Group accounts for all amounts previously recognised in the consolidated statement of comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in the consolidated statement of comprehensive income by that associate or joint venture would be reclassified to the consolidated statement of profit or loss on disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to the consolidated statement of profit or loss (as a reclassification adjustment) at that time.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, it reclassifies to the consolidated statement of profit or loss the proportion of gain or loss previously recognised in the consolidated statement of comprehensive income relating to that reduction in ownership, if that gain or loss would be reclassified to the consolidated statement of profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from it are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group applies IFRS 9, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied and which forms part of the net investment in the investee. Furthermore, in applying IFRS 9 to long-term interests, the Group does not take into account adjustments to their carrying amount required by IAS 28 (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its share of the revenue from the sale of the output by the joint operations; and
- its expenses, including its share of any expenses incurred jointly.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Interests in joint operations (continued)

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the applicable IFRSs. When a Group entity transacts with a joint operation in which a group entity is a joint operator (such a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operations, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a Group entity transacts with a joint operation it does not recognise its share of the gains or losses.

Insurance contracts

Classification
The Group issues contracts that transfer insurance risk.

Contracts under which the Group accepts significant insurance risk from another party *(the policy holder)* by agreeing to compensate the policyholder if a specified uncertain future event *(the insured event)* adversely affects the policyholder are classified as insurance contracts. Insurance risk is significant if an insured event could cause the Group to pay significant additional benefits due to occurrence of the insured event as compared to non – occurrence. Once a contract is classified as an insurance contract it remains classified as an insurance contract until all rights and obligations are extinguished or expired.

Premium and unearned premium reserve
The contracts allow the Group's policy holders to obtain healthcare coverage and protect them against medical expenditures and related costs in accordance with an agreed medical plan. The healthcare coverage pays for medical and surgical expenses that are incurred by the insured customers. For all these insurance contracts, premiums are recognised as revenue *(earned premiums)* proportionally over the period of coverage. The portion of premium received on in-force contracts that relates to unexpired risks at the reporting date is reported as the unearned premium reserve.

Claims
Claims and loss adjustment expenses are charged to the consolidated statement of profit or loss as incurred based on the estimated liability for compensation owed to policy holders or third parties damaged by the policy holders. They include direct and indirect claims settlement costs i.e., unallocated loss adjustment expense (ULAE) and arise from events that have occurred up to the reporting date even if they have not yet been reported to the Group.

Taking into consideration the fact that significant time lags may exist between loss events and notification of the claims to the Group, incurred but not reported claims ("IBNR") are established on the basis of the Group's own estimates for claims that have already been incurred but not yet reported. These are guided by the principle of best estimate using actuarial methods. Such estimates are based upon both past experience and assessments of the future development.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Insurance contracts (continued)

The Group does not discount its liabilities for unpaid claims. Liabilities for unpaid claims are estimated using the input of assessments for individual cases reported to the Group and statistical analyses for the claims incurred but not reported ("IBNR").

Reinsurance contracts
The Group cedes reinsurance in the normal course of business for the purpose of limiting its net loss potential through the diversification of its risks. Assets, liabilities and income and expense arising from ceded reinsurance contracts are presented separately from the assets, liabilities, income and expense from the related insurance contracts because the reinsurance arrangements do not relieve the Group from its direct obligations to its policyholders.

Amounts due to and from reinsurers are accounted for in a manner consistent with the related insurance policies and in accordance with the relevant reinsurance contracts. Reinsurance premiums are deferred and expensed using the same basis as used to calculate unearned premium reserves for related insurance policies. The deferred portion of ceded reinsurance premiums is included in reinsurance assets.

Reinsurance assets are assessed for impairment at each consolidated statement of financial position date. A reinsurance asset is deemed impaired if there is an objective evidence, as a result of an event that occurred after its initial recognition, that the Group may not recover all amounts due, and that event has a reliably measurable impact on the amounts that the Group will receive from the reinsurer.

Impairment losses on reinsurance assets are recognised in the consolidated statement of profit or loss in the period in which they are incurred.

Liability adequacy test
Where necessary, a provision is made when the expected value of claims and administrative expenses attributable to the unexpired periods of policies in force at the consolidated statement of financial position date exceeds the unearned premiums provision in relation to such policies.

The assessment of whether a provision is necessary is made separately considering each category of business accounted for annually, on the basis of information available as at the consolidated statement of financial position date, taking into account related expenses and attributable future investment return. Any deficiency is immediately charged to the consolidated statement of profit or loss by establishing a provision for losses arising from the liability adequacy tests.

Deferred commission income and expense
At the end of each reporting period, commission income and expenses as well as other income and expenses related to underwriting activities are deferred to cover for unexpired risks. The reserves are calculated on a time-proportion basis over the effective period of the policy.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in consolidated statement of profit or loss.

Financial assets

Purchases or sales of financial assets are recognised or derecognised on a trade date basis. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are measured subsequently at amortised cost:

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

Financial assets that meet the following conditions are measured subsequently at fair value through other comprehensive income ("FVTOCI"):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss ("FVTPL").

Despite the foregoing, the Group may make the following irrevocable election / designation at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- The Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired. Interest income is recognised in the consolidated statement of profit or loss.

Cash and short-term deposits

Cash and short-term deposits in the consolidated statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group’s cash management.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

(ii) Debt instruments classified as at FVTOCI

Debt instruments that meet the following conditions are measured subsequently at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at FVTPL. For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding ECL, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including ECL, to the amortised cost of the debt instrument on initial recognition.

(iii) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held-for-trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss is not reclassified to the consolidated statement of profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in the consolidated statement of profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment.

The Group designated all investments in equity instruments that are not held-for-trading as at FVTOCI on initial recognition. A financial asset is held-for-trading if either:

- It has been acquired principally for the purpose of selling it in the near term;
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held-for-trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (iii) above); and

- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in the consolidated statement of profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in the consolidated statement of profit or loss includes any dividend or interest earned on the financial asset and is included in 'Dividend income'. Fair value is determined in the manner described in Note 45.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in the consolidated statement of profit or loss in the foreign exchange gain;
- For debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in the consolidated statement of profit or loss in foreign exchange gain. As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in the investment revaluation reserve;
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in the consolidated statement of profit or loss as foreign exchange gain; and
- For equity instruments measured at FVTOCI, exchange differences are recognised in the consolidated statement of comprehensive income in the investment revaluation reserve.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

The Group recognises a loss allowance for ECL on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade receivables, contract assets, and other financial assets as well as on financial guarantee contracts. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, contract assets, and lease receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months from the reporting date.

i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

i) Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default;
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

i) Significant increase in credit risk (continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contract, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; and
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is past due for 365 days unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event (see (ii) above);
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; and
- The disappearance of an active market for that financial asset because of financial difficulties.

iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the consolidated statement of profit or loss.

v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount of guaranteed debt that has been drawn down as at the reporting date, together with any additional guaranteed amounts expected to be drawn down by the borrower in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

v) Measurement and recognition of ECL (continued)

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group recognises an impairment gain or loss in the consolidated statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the consolidated statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to the consolidated statement of profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to the consolidated statement of profit or loss but is transferred to retained earnings.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held-for-trading if either:

- It has been acquired principally for the purpose of repurchasing it in the near term;
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; and
- It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held-for-trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if either:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities (continued)

Financial liabilities at FVTPL (continued)

- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in consolidated statement of profit or loss to the extent that they are not part of a designated hedging relationship (see Hedge accounting policy). The net gain or loss recognised in the consolidated statement of profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the consolidated statement of profit or loss. The remaining amount of change in the fair value of liability is recognised in the consolidated statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in the consolidated statement of comprehensive income are not subsequently reclassified to the consolidated statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Group that are designated by the Group as at FVTPL are recognised in the consolidated statement of profit or loss.

Fair value is determined in the manner described in Note 45.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities (continued)

Sukuk

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

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently at the higher of:

- The amount of the loss allowance determined in accordance with IFRS 9 (see financial assets above); and
- The amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the consolidated statement of profit or loss for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk, exchange gains and losses are recognised in the consolidated statement of comprehensive income and accumulated in a separate component of equity.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the consolidated statement of profit or loss for financial liabilities that are not part of a designated hedging relationship.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Financial instruments (continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit or loss. When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in the consolidated statement of profit or loss.

Offsetting of financial instruments

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

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Taxation (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in the consolidated statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in the consolidated statement of comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Taxation (continued)

Value added tax (VAT)

Expenses and assets are recognised net of the amount of VAT, except:

- When VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in Note 45.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Inventories

Inventories are stated at the lower of cost and NRV. Cost comprises direct materials and, where applicable, direct labour costs, cost of land and related infrastructure costs with respect to plots land and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. NRV represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Development work-in-progress

Development work in progress consists of property being developed principally for sale and is stated at the lower of cost or NRV. Cost comprises all direct costs attributable to the design and construction of the property including direct staff costs. NRV is the estimated selling price in the ordinary course of the business less estimated costs to complete and applicable variable selling expenses.

For single segment development projects, the Group allocates the cost of land in proportionate basis of the Gross Floor Area ("GFA") and for multi-segment development projects, the Group allocates the cost of land in proportionate basis of the residual value of each respective segment of the development project. The residual value of each segment is determined by the management of the Group using recognised valuation methods. These methods 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 (comprising of selling and leasing rates, future revenue streams, construction costs and associated professional fees, and financing cost, etc.), 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.

In respect of consideration for plots of land which is variable and dependent on actual returns from the development projects, the Group recognises amounts actually paid as part of development work in progress. The costs of the plots of land are subsequently either increased or decreased based on actual payments made and returns on the development projects in line with the arrangement with third parties.

Share-based payments

The Group makes cash-settled share-based payments to eligible employees, for which a liability is recognised for the services acquired. The liability is initially measured at fair value at the grant date and at each reporting date up to and including the settlement date. Changes in fair value, net of any changes in investments held, are recognised in the consolidated statement of profit or loss. The Group does not have any equity-settled share-based payments.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continue

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Discontinued operations and non-current assets held-for-sale

The Group classifies non-current assets and subsidiaries as held-for-sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and subsidiaries classified as held-for-sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held-for-sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held-for-sale.

Assets and liabilities classified as held-for-sale are presented separately as current items in the consolidated statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held-for-sale, and:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of profit or loss.

Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plan

Monthly pension contributions are made in respect of UAE National employees, who are covered by the Law No. 2 of 2000. The pension fund is administered by the Government of Abu Dhabi, Finance Department, represented by the Abu Dhabi Retirement Pensions and Benefits Fund. Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Employee benefits (continued)

Defined contribution plan (continued)

Monthly pension contributions are made in respect of other GCC National employees, who are covered by the Circular no. 3 of 2007 issued by the General Authority of Pension and Social Security. The contribution made by the Group is charged to the consolidated statement of profit or loss. The pension contribution is made according to the laws of the respective GCC nation.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group currently operates an unfunded scheme for defined benefits in accordance with the applicable provisions of the UAE Federal Labour Law and is based on periods of cumulative service and levels of employees' basic salaries at the end of their employment contract. The Group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods discounted to determine present value. Any unrecognised past service costs are deducted.

The calculation of defined benefit obligation is performed periodically by an actuary using the projected unit credit method. When benefits of the plan are improved, the portion of the increased benefit related to past service by employees is recognised in the consolidated statement of profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the consolidated statement of profit or loss. The Group recognises all actuarial gains and losses arising from defined benefit plans in the consolidated statement of other comprehensive income and all expenses related to defined benefit plans within consolidated statement of profit or loss.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Government grants (continued)

Government grants that are receivable as compensation for expenses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in the consolidated statement of profit or loss in the period in which they become receivable. The benefit of a government loan at a concessional rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts.

Derivative financial instruments

The Group enters into derivative financial instruments to manage exposure to variable interest rate fluctuations. Further details of derivative financial instruments are disclosed in Note 29.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the consolidated statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in consolidated statement of profit or loss depends on the nature of the hedging relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the consolidated financial statements unless the Group has both a legally enforceable right and intention to offset. The impact of the master netting agreements on the Group's financial position is disclosed in Note 29. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities

Hedge accounting

The Group designates derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations, as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Hedge accounting (continued)

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in the consolidated statement of comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to the consolidated statement of profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to the consolidated statement of profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in the consolidated statement of comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to the consolidated statement of profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately to profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Provisions (continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date.

At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with IAS 37 and the amount recognised initially less cumulative amount of income recognised in accordance with IFRS 15.

Onerous contracts
Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Warranties
Provisions for the expected cost of warranty obligations under the terms of the sale of goods are recognised at the date of sale of the relevant products, at the terms of the best estimate of the expenditure required to settle the Group's obligation.

Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Current versus non-current classification

The Group presents assets and liabilities in the statement of consolidated financial position based on current / non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months of the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Current versus non-current classification (continued)

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months of the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring to the customer.

The Group recognises revenue from the following major sources:

- Rendering of services i.e., construction contracts, industrial service, laboratory and other services, insurance premium and income from education services, which is recognised over period of time, and
- Sale of goods i.e., laboratory and hospital management services, revenue from hotel operations and investment income which is recognised at point of time.

Revenue from construction, industrial and dredging contracts

The Group provides construction and dredging activities and associated land reclamation works to its customers. Such contracts are entered into before rendering of services begins. Under the terms of the contracts, the Group has enforceable right to payment for work done. Revenue is therefore recognised over time on a cost-to-cost method based the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The management consider that this input method is an appropriate measure of the progress towards complete satisfaction of the performance obligations under IFRS 15.

In case of contracts, where revenue is recognised on the basis of surveys of work performed, revenue is measured by applying contractual rates, or the minimum recoverable rates expected, to the actual quantities dredged or the related works performed. Revenue is adjusted subsequently based on final customer approval if rates approved are different from those originally used.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Revenue recognition (continued)

Revenue from construction, industrial and dredging contracts (continued)

When the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable; and contract costs should be recognised as an expense in the period in which they are incurred.

When it is possible that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Costs of contracts include all direct costs of labour, materials, depreciation of property, plant and equipment and costs of subcontracted works, plus an appropriate portion of construction overheads and general and administrative expenses of the year allocated to construction contracts in progress during the year at a fixed rate of the value of work done on each contract.

Contract assets and liabilities

Amounts relating to contract assets are balances due from customers under construction contracts that arise when the Group receives payments from customers in line with a series of performance related milestones. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

Contract costs represents costs incurred on projects for which the Group is required to meet specific contractual obligations such as joint inspections, milestone completion and customer acceptance/handover, prior to billing the customer. Those obligations are expected to progressively be met over time, resulting in a winding down of the balance throughout the remaining contractual period.

The Group has determined that contract assets and liabilities are to be recognised at the performance obligation level and not at the contract level and both contract assets and liabilities are to be presented separately in the consolidated financial statements. The Group classifies its contract assets and liabilities as current and non-current based on the timing and pattern of flow of economic benefits.

Sale of properties and provision of services

Under the terms of certain contracts in the UAE, the Group is contractually restricted from redirecting sold properties to other customers and has an enforceable right to payment for work done. Therefore, revenue from construction of residential properties in the UAE is recognised over time on a percentage of completion method, i.e., 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 certain residential properties in Egypt, the Group has assessed that transfer of control happens only at the time of handover of completed units to customers and accordingly the related revenue is recognised at that time.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Revenue recognition (continued)

Laboratory diagnostics distribution

The Group sells medical equipment and consumables to end-user laboratories across the UAE. Revenue is recognised when control of the goods has transferred, being when goods have been delivered to end-user laboratories location. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Laboratory and hospital management services

The Group provides certain specialized services like laboratory management services, hospital management services, manpower supply and other maintenance and operational support services. Revenue from such services are recognised as a performance obligation satisfied at a point in time or over the contract period or period of service, as applicable in accordance with the requirements of IFRS 15.

Insurance contracts revenue and insurance commission income

Premiums are recognised as revenue (earned premium) on time-proportion basis over the effective period of policy coverage. The portion of premium received on in-force contracts that relates to unexpired risks at the end of the reporting period is reported as the unearned premium liability.

Insurance commission income is recognised when the policies are written based on the terms and percentages agreed with the reinsurers.

Revenue from hotel operations

Hotel operations represents the sale of hotel rooms, food and beverages, catering and other ancillary services. These are invoiced upon provision of the service or delivery of goods. Revenue is stated net of allowances and rebates.

Management fee income

The Group manages construction of properties under long term contracts with customers, for which it earns a management fee. Such management fee income is recognised over time using the input method to recognise revenue upon the satisfaction of performance obligations. Where the outcome of a contract cannot be estimated reliably, revenue is recognised based on the consideration to which the Group expects to be contractually entitled based on its performance obligations completed up to the reporting date.

Service charges and expenses recoverable from tenants

For investment properties held primarily to earn rental income, the Group enters into lease agreements that fall within the scope of IFRS 16. Such lease agreements generally include common area services (security, maintenance, utilities, health and safety etc.) as well as management and customer care services. The Group has determined that these services constitute distinct non-lease components (distinct from the right-to-use the underlying asset) and are within the scope of IFRS 15.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Revenue recognition (continued)

Service charges and expenses recoverable from tenants (continued)

The consideration charged to tenants for these services are separately specified in the lease agreements and invoiced accordingly. The Group applies the time elapsed method to recognise revenue over time for such services. Income arising from cost recharged to tenants is recognised in the period in which the cost can be contractually recovered. The Group records revenue on a gross basis, being the principal controlling the services before transferring them to the customer.

Rental income

Rental income is recognised on a straight-line basis over the term of the lease rental agreement. Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Income from education services

Registration fee is recognised as income when it is received. Tuition fee income is recognised over the period of time over which tuition services are rendered. Tuition fees received in advance are recorded as deferred revenue.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a timely basis by reference to the principal outstanding and at the interest rate applicable.

Dividend income

Dividend income from investments is recognised when the right to receive payment has been established.

Foreign currencies

In preparing the financial statements of the Group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

2 Significant accounting policies (continued)

2.2 Summary of significant accounting policies (continued)

Foreign currencies (continued)

Exchange differences are recognised in consolidated statement of profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments / hedge accounting); and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to the consolidated statement of profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in a foreign exchange translation reserve in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in consolidated statement of profit or loss. For all other partial disposals (i.e., partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to the consolidated statement of profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in consolidated statement of comprehensive income.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

3 Application of new and revised International Financial Reporting Standards (IFRSs)

3.1 New and revised IFRSs applied with no material effect on the consolidated financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2022, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

Amendments to IFRS 3 Reference to the Conceptual Framework

The Group has adopted the amendments to *IFRS 3 Business Combinations* for the first time in the current year. The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to *IFRS 3* a requirement that, for obligations within the scope of *IAS 37 Provisions, Contingent Liabilities and Contingent Assets*, an acquirer applies *IAS 37* to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of *IFRIC 21 Levies*, the acquirer applies *IFRIC 21* to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Amendments to IAS 16 Property, Plant and Equipment— Proceeds before Intended Use

The Group has adopted the amendments to *IAS 16 Property, Plant and Equipment* for the first time in the current year. The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available-for-use, i.e., proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in the consolidated statement of profit or loss. The entity measures the cost of those items in accordance with IAS 2.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the consolidated statement of comprehensive income, the consolidated financial statements shall disclose the amounts of proceeds and costs included in the consolidated statement of profit or loss that relate to items produced that are not an output of the entity’s ordinary activities, and which line item(s) in the consolidated statement of comprehensive income include(s) such proceeds and cost.

Amendments to IAS 37 Onerous Contracts— Cost of Fulfilling a Contract

The Group has adopted the amendments to IAS 37 for the first time in the current year. The amendments specify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

3 Application of new and revised International Financial Reporting Standards (IFRS) (continued)

3.1 New and revised IFRSs applied with no material effect on the consolidated financial statements (continued)

Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle

The Group has adopted the amendments included in the *Annual Improvements to IFRS Accounting Standards 2018-2020* Cycle for the first time in the current year. The Annual Improvements include amendments to four standards.

IFRS 1 First-time Adoption of International Financial Reporting Standards
The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences.

IFRS 9 Financial Instruments
The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

IFRS 16 Leases
The amendment removes the illustration of the reimbursement of leasehold improvements.

IAS 41 Agriculture
The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of *IFRS 13 Fair Value Measurement* to use internally consistent cash flows and discount rates.

Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)

The amendment extends, by one year, the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

3.2 New and revised IFRS in issue but not yet effective

The Group has not yet applied the following new and revised IFRSs that have been issued but are not yet effective:

- *IFRS 17 Insurance Contracts* **(effective from 1 January 2023)**;
- Amendments to *IFRS 10 Consolidated Financial Statements* and *IAS 28 Investments in Associates and Joint Ventures*: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture **(effective date not yet decided)**;
- Amendments to *IAS 1 Presentation of Financial Statements*: Classification of Liabilities as Current or Non-current **(effective from 1 January 2023)**;
- Disclosure of *Accounting Policies* (Amendments to *IAS 1 Presentation of financial statements* and *IFRS Practice Statement 2*) **(effective from 1 January 2023)**;

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

3 Application of new and revised International Financial Reporting Standards (IFRS) (continued)

3.2 New and revised IFRS in issue but not yet effective (continued)

- Definition of *Accounting Estimate*s (Amendments to *IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors)* **(effective from 1 January 2023**);
- *Deferred Tax related to Assets and Liabilities* arising from a Single Transaction (Amendments to *IAS 12 Income Taxes*) **(effective from 1 January 2023)**;
- *Extension of the Temporary Exemption* from Applying *IFRS 9 Financial Instruments* (Amendments to *IFRS 4*) **(effective from 1 January 2023)**;
- *Lease Liability in a Sale and Leaseback* (Amendments to *IFRS 16 Leases*) **(effective from 1 January 2024)**; and
- *Non-current Liabilities with Covenants* (Amendments to *IAS 1 Presentation of financial statements*) **(effective from 1 January 2024)**.

IFRS 17 Insurance Contracts

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes *IFRS 4 Insurance Contracts*.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

In June 2020, the IASB issued Amendments to *IFRS 17* to address concerns and implementation challenges that were identified after *IFRS 17* was published. The amendments defer the date of initial application of *IFRS 17* (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the IASB issued Extension of the Temporary Exemption from Applying *IFRS 9* (Amendments to *IFRS 4*) that extends the fixed expiry date of the temporary exemption from applying *IFRS 9* in *IFRS 4* to annual reporting periods beginning on or after 1 January 2023.

In December 2021, the IASB issued Initial Application of *IFRS 17* and *IFRS 9*—Comparative Information (Amendment to *IFRS 17*) to address implementation challenges that were identified after *IFRS 17* was published. The amendment addresses challenges in the presentation of comparative information.

IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

The above stated new standards and amendments other than *IFRS 17* are not expected to have any significant impact on consolidated financial statements of the Group. The Group is in the process of assessing the impact of *IFRS 17*, if any on the consolidated financial statements.

3 Application of new and revised International Financial Reporting Standards (IFRS) (continued)

3.2 New and revised IFRS in issue but not yet effective (continued)

There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued that would be expected to have a material impact on the consolidated financial statements of the Group.

4 Critical accounting judgments and key sources of estimation of uncertainty

While applying the accounting policies as stated in Note 2, the management of the Group has made certain judgments, estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period that the revision is made, if the revision affects only that period, or in the period of the revision and future periods if it affects both current and future periods.

4.1 Critical judgment in applying accounting policies

The following critical judgments, apart from those involving estimations in Note 4.2 below, have been made in the process of applying the Group's accounting policies.

Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased since initial recognition. IFRS 9 does not define what constitutes an increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

Classification of properties

In the process of classifying properties, the Group makes judgments. Judgment is needed to determine whether a property qualifies as an investment property, property plant and equipment and / or property held for resale. The Group develops criteria so that it can exercise that judgment consistently in accordance with the definitions of those asset categories. In making its judgment, the Group considers the detailed criteria and related guidance for the classification of properties as set out in IAS 2, IAS 16 and IAS 40, in particular, the intended usage of property at the reporting date.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

4 Critical accounting judgments and key sources of estimation of uncertainty (continued)

4.1 Critical judgment in applying accounting policies (continued)

Classification and measurement of financial assets (Business model assessment)

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or FVTOCI that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objectives of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if not, whether a prospective change to the classification of those assets is needed.

Determining whether unsigned (verbal) agreements meet the definition of contract under IFRS 15

Certain projects in the UAE or overseas, are executed on the basis of verbally agreed terms (including estimates of total project cost and timelines) in line with the Group's historical business practice. Such unsigned verbal agreements may meet the definition of a 'contract with customer' under IFRS 15 on the basis of external legal opinions. In addition, under Article 132 of the UAE Civil code and under the Supreme Administrative Court Ruling in Case no. 134 of 42 Judicial Year dated 22 July 1997 a contract can be oral or written and a contract can also result from acts which demonstrate the presence of mutual consent between the relevant parties.

Contract assets represent amounts relating to work performed which is yet to be billed to customers for signed and unsigned contracts. Judgement is applied to determine the amounts of revenue and contract assets recognised and recoverability related to unsigned contracts. These judgments are reviewed periodically, and adjustments are made accordingly any changes thereon may have an impact on the amount of revenue and contract assets recognized in these consolidated financial statements. Contract assets for unsigned contracts as at 31 December 2022 are AED 621 million (2021: AED 492 million).

The ultimate liability arising from claims made under insurance contracts

Estimates have to be made both for the expected ultimate cost of claims reported at the reporting date but not approved and for the expected ultimate cost of claims incurred but not yet reported at the reporting date (IBNR). It can take a significant period of time before the ultimate claims cost can be established with certainty.

The ultimate cost of claims incurred but not reported and claims reported but not approved (together referred to as "outstanding claims") is estimated by a related party and reviewed by an independent qualified consultant using the chain ladder actuarial techniques. The main assumption underlying those techniques are that the Group's past claims development experience which can be used to project future claims development and hence ultimate claims cost.

The carrying value at the reporting date of claims incurred but not reported and claims reported but not approved (net of related reinsurance receivable) is AED 1,019,789 thousand (2021: Nil).

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

4 Critical accounting judgments and key sources of estimation of uncertainty (continued)

4.1 Critical judgment in applying accounting policies (continued)

Determining the lease term

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

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Joint arrangements

For assessing joint control, the Group considers the contractual agreement of sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. For the purpose of assessing whether a joint arrangement is a joint venture or joint operation, the Group considers whether it has joint rights to the net assets of the arrangement, in which case these are treated as joint ventures, or rights to the assets and obligations for the liabilities relating to the arrangement, in which case these are treated as joint operations.

Hybrid equity instruments

Judgment is applied to determine whether a financial instrument, or its component parts, on initial recognition should be classified as a financial liability, a financial asset or an equity instrument in accordance with their respective definitions and the substance of the contractual arrangement based on guidance as set out in IAS 32. Based on the criteria, the Group concluded that certain hybrid equity instruments are a part of equity.

Control over Aldar Properties PJSC ("Aldar")

Note 42 explains that the Group has attained control of Aldar through a business combination and classified it as a subsidiary of the Group, notwithstanding its ownership of less than half of the outstanding share capital. The Group determined that it controls Aldar based on the following criteria:

a) the Group has appointed four out of the total seven members of Aldar's board ("Board") with effect from 11 April 2022;
b) resolutions of the Board and therefore decisions, are issued based on a simple majority, thus giving the Group outright control over decision making by the Board;
c) in accordance with Aldar's articles of association, the Board is fully empowered to manage and carry out all acts and transactions on behalf of the entity, including supervision of Aldar's business affairs, ensuring the effectiveness of governance, overseeing management, as well as appointing and removing Aldar's senior management; and
d) the Group is the single largest shareholder of Aldar with almost 32% of the outstanding share capital.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

4 Critical accounting judgments and key sources of estimation of uncertainty (continued)

4.1 Critical judgment in applying accounting policies (continued)

Control over Aldar Properties PJSC ("Aldar") (continued)

In making this judgement, the Group considered the absolute size of its holding in Aldar, ability of other shareholders to limit its nominations to the Board, and the Group's majority representation on the Board. Therefore, based on the above factors, the Group has clearly established control over Aldar and accordingly its results have been included in these consolidated financial statements.

Assessment of significant influence over OCI Clean Fuel Limited ('OCI')

The Group holds only 11% in OCI but has right to appoint one out of seven directors to the board of directors of OCI. To assess whether or not the Group exercises significant influence over OCI, the Group considered the absolute size of the holding in OCI, business objectives and the ability of the Group's representative to exercise significant influence. Presently, the Group concluded its ability to exercise influence over the investee is not significant and accordingly is classified as an investment at fair value through other comprehensive income.

Principal versus agent consideration

The Group's performance obligation in one of the subsidiaries is to arrange for the provision of the specified goods or services on behalf of another party. The Group does not control the specified goods or services provided by another party until those goods or services are transferred to the party. When the Group satisfies a performance obligation, the Group recognises revenue to the extent of management fee in exchange for arranging for the specified goods or services. The Group's primary obligation is to arrange for development services for development projects, and accordingly, the Group acts as agent on those development projects since:

- the Group does not control the specified goods or services provided by other parties before the services are transferred to the customer;
- primary responsibility for the fulfilling the promise does not rest with the Group;
- the Group does not bear any inventory risk since the ownership of the infrastructure, as set out in the management contracts;
- the Group does not have the price risk on the development contracts; and
- customers retains the right to remove the Group as manager for the development projects based on its convenience without default from the Group.

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are explained below:

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

4 Critical accounting judgments and key sources of estimation of uncertainty (continued)

4.2 Key sources of estimation uncertainty (continued)

Discount rate used for initial measurement of lease liability

The Group, as a lessee, measures a lease liability at the present value of the unpaid lease payments at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If not on initial recognition of the lease, the Group uses its incremental borrowing rate. Incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in a similar economic environment.

Percentage-of-completion

The Group uses the input method to recognise revenue for the efforts or inputs towards satisfaction of a performance obligation in accounting for its construction contracts. This is done by measuring the costs incurred to date relative to the total expected costs to be incurred (forecast final costs).

At each reporting date, the Group is required to estimate the stage of completion and costs necessary to complete its construction contracts. These estimates require the Group to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. These estimates also include the cost of potential claims by subcontractors and the cost of meeting outstanding contractual obligations to customers. Effects of any revision to these estimates are reflected when the estimates are revised. Factors such as delays in expected completion date, changes in the scope of work, changes in material prices, changes in labour and other costs, are included in the expected construction cost estimates.

Useful lives and residual values of property, plant and equipment and intangible assets

The estimated useful lives and residual values of property, plant and equipment and intangible assets are reviewed at the end of each annual reporting period. In 2021, the useful life of certain property, plant and equipment was changed from 5 years to 47 years. The change in accounting estimate has increased the profit of 2021 by AED 19,873 thousand.

Impairment of investment in associates

In testing for impairment, the Group evaluates the specific investee's profitability, liquidity, solvency and ability to generate operating cash flows for the foreseeable future. Any shortfall between the estimated recoverable amount and the carrying value of investment is recognised as an expense in the consolidated statement of profit or loss.

Fair value measurements and valuation processes

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group either engage third party qualified valuers to perform the valuation or use internal specialist to fair value the assets and liabilities.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

4 Critical accounting judgments and key sources of estimation of uncertainty (continued)

4.2 Key sources of estimation uncertainty (continued)

Fair value measurements and valuation processes (continued)

The valuations of private equity investments, contingent consideration in business combinations and nonderivative financial assets held for trading are particularly sensitive to changes in one or more unobservable inputs which are considered reasonably possible within the next financial year. Further information on the carrying amounts of these assets and the sensitivity of those amounts to changes in unobservable inputs are provided in Note 45.

Derivative financial instruments

The fair values of derivative financial instruments measured at fair value are generally obtained by reference to quoted market prices, discounted cash flow models and recognised pricing models as appropriate. When independent prices are not available, fair values are determined by using valuation techniques which refer to observable market data. These include comparison with similar instruments where market observable prices exist, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Calculation of ECL

When measuring ECL the Group uses reasonable and supportable forward-looking information and estimates, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Probability of default constitutes a key input in measuring ECL and is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Estimation of NRV for inventories and development work-in-progress

Properties classified as development work-in-progress are stated at the lower of cost or NRV. NRV is assessed with reference to sales prices, costs of completion, development plans and market conditions existing at the end of the reporting period. For certain properties, NRV is determined by the Group having taken suitable external advice and in the light of recent market transactions, where available.

The determination of NRV of plots of land held-for-sale is based on external valuations using various valuation methodologies and techniques that take into account property-specific information such as forecast selling prices, site planning (including planning consent), build costs, cost recoveries, sales rates (per square meter) and discount rates etc., all of which contain an element of judgement and uncertainty. Forecasted selling prices have inherent uncertainty due to changes in market conditions. Forecasted building costs can vary with market conditions and may also be incorrectly estimated due to changes in site planning, style of build or unforeseen circumstances arising during construction.

NRV for completed properties is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions in the same market segment.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

4 Critical accounting judgments and key sources of estimation of uncertainty (continued)

4.2 Key sources of estimation uncertainty (continued)

Estimation of NRV for inventories and development work-in-progress (continued)

NRV in respect of development work-in-progress is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete the development and the estimated costs necessary to make the sale, taking into account the time value of money.

Allowance for slow moving and obsolete inventories

When inventories become old or obsolete, an estimate is made of their NRV. Inventory items are categorised based on their movements during the year, their physical condition and their expected future use, and accordingly an allowance for impairment is estimated. Revisions to the allowance for slow moving inventories would be required if the outcome of these indicative factors differ from earlier estimates.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value which necessarily involves making numerous estimates and assumptions regarding revenue growth, operating margins, appropriate discount rates and working capital requirements. These estimates will likely differ from future actual results of operations and cash flows, and it is possible that these differences could be material.

The Group has conducted a sensitivity analysis of the impairment test by changing key assumptions used to determine the recoverable amount of cash-generating units to which goodwill is allocated. It concluded that any reasonably possible change in the key assumptions on which the recoverable amount of Goodwill is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related cash-generating units.

Impairment of non-financial assets

Property, plant and equipment, right of use assets, biological assets and investment property are assessed for impairment based on assessment of cash flows on individual cash generating units when there is indication of impairment. Cash flows are determined based on contractual agreements and estimations over the useful life of the assets and discounted using a range of discounting rates representing the rate of return on such cash generating units. The net present values are compared to the carrying amounts to assess any probable impairment.

Legal claims and contingencies

When assessing the possible outcomes of legal claims and contingencies, the Group gathers all available facts, and seeks to ascertain the likely outcome using opinions of legal counsel where appropriate. The opinion of legal counsel is based on their professional judgment, interpretation of facts, current stage of proceedings and legal experience accumulated with respect to similar matters. As the results of the claims may ultimately be determined by courts or otherwise settled, they may be different from the Group's estimates.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

4 Critical accounting judgments and key sources of estimation of uncertainty (continued)

4.2 Key sources of estimation uncertainty (continued)

Performance obligations

The Group operates laboratories of a customer's hospitals and primary healthcare centres. Management identified its performance obligations under that contract as a series of distinct services (laboratory tests) that are substantially the same and that have the same pattern of transfer to the customer.

The Group also signed a long-term contract effective 1 January 2021, to operate and manage hospitals and healthcare facilities on behalf of another customer. Management has identified its performance obligations under this contract as series of funds and operations management activities that are substantially the same and that have the same pattern of transfer to the customer.

Uncertain tax positions

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences may arise between the actual results and adjustments to tax income and expense already recorded. Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Assessing the recoverability of deferred income tax assets requires the Group to make assumptions related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted.

Employee end of service benefits

The cost and the present value of the defined benefit plans obligation are generally determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and voluntary termination rate. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All significant assumptions and assets are reviewed at each reporting date.

Fair value of identifiable assets and liabilities

As stated in Note 42, the identifiable assets acquired, and the liabilities assumed in business combination are recognised at their fair value. In estimating the fair value of an asset or a liability, the Group engaged third party valuation specialists to perform the valuation. The underlying assumptions and estimates in assessing the fair values are as detailed within Note 6.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

5 Property, plant and equipment

	Land AED '000	Buildings and base facilities AED '000	Dredgers, machinery and equipment AED '000	Barges, support vessels and vehicles AED '000	Furniture, equipment and leasehold improvements AED '000	Capital work-in-progress AED '000	Total AED '000
Cost							
At 1 January 2021	-	236,570	949,175	278,438	53,771	149,736	1,667,690
Additions	-	17,220	58,441	78,560	36,603	219,497	410,321
Acquired in common control business combinations (Note 41)	225,234	1,654,980	1,558,563	6,602,217	555,063	287,484	10,883,541
Assets arising on acquisition of subsidiaries (Note 42)	-	773	36,211	-	7,459	-	44,443
Foreign currency translation differences	-	160	-	(12)	(348)	-	(200)
Assets of group held-for-sale	-	(27,417)	-	(831)	(25,979)	-	(54,227)
Transfers	-	23,986	70,546	(1,411)	4,213	(97,334)	-
Disposals	-	(33,887)	(17,205)	(51,932)	(18,811)	-	(121,835)
At 31 December 2021	225,234	1,872,385	2,655,731	6,905,029	611,971	559,383	12,829,733
Additions	-	1,757,439	152,771	131,817	251,542	1,006,325	3,299,894
Acquired in common control business combinations (Note 41)	-	278,805	89,224	1,956	71,258	30,312	471,555
Assets arising on acquisition of subsidiaries (Note 42)	-	9,226,356	2,905,279	86,581	2,949,565	407,452	15,575,233
Transfers	-	460,598	634,993	85,365	(307,837)	(873,119)	-
Transfer to investment properties (Note 8)	-	(453,796)	-	-	-	(10,262)	(464,058)
Transfer to investment in an associate (Note 10)	-	(2,303)	-	(83,546)	(237)	-	(86,086)
Transfer to inventories	-	-	(6,009)	-	-	-	(6,009)
Eliminated on disposal of subsidiaries (Note 38)	-	-	-	(619)	(7,590)	-	(8,209)
Write-off	-	(4,961)	(22,755)	-	(1,031)	(2,871)	(31,618)
Disposals	-	(10,040)	(287,520)	(563,854)	(122,688)	(1,469)	(985,571)
Foreign currency translation differences	-	(39,341)	(4,538)	(8,148)	(14,930)	(7,455)	(74,412)
At 31 December 2022	**225,234**	**13,085,142**	**6,117,176**	**6,554,581**	**3,430,023**	**1,108,296**	**30,520,452**

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

5 Property, plant and equipment (continued)

	Land AED '000	Buildings and base facilities AED '000	Dredgers, machinery and equipment AED '000	Barges, support vessels and vehicles AED '000	Furniture, equipment and leasehold improvements AED '000	Capital work-in-progress AED '000	Total AED '000
Accumulated depreciation							
At 1 January 2021	-	145,425	665,516	212,654	48,807	-	1,072,402
Acquired in common control business combinations (Note 41)	-	711,015	234,713	3,636,046	397,566	-	4,979,340
Assets arising on acquisition of subsidiaries (Note 42)	-	10	27,005	-	5,138	-	32,153
Charge for the year	-	47,913	191,586	228,456	40,287	-	508,242
Charge for the year for assets of disposal group	-	1,866	-	130	1,781	-	3,777
Assets of group held-for-sale	-	(7,288)	-	(390)	(14,528)	-	(22,206)
Foreign currency translation differences	-	32	25	9	(261)	-	(195)
Eliminated on disposals	-	(29,148)	(16,900)	(49,950)	(12,992)	-	(108,990)
At 31 December 2021	-	869,825	1,101,945	4,026,955	465,798	-	6,464,523
Charge for the year	-	273,946	347,763	339,944	194,397	-	1,156,050
Charge for the year for assets of disposal group	-	735	102	57	916	-	1,810
Acquired in common control business combinations (Note 41)	-	214	14,681	171	14,730	-	29,796
Assets arising on acquisition of subsidiaries (Note 42)	-	5,462,001	2,264,214	63,460	2,414,577	11,060	10,215,312
Transfer	-	304,140	92,593	50,659	(447,392)	-	-
Transfer to investment properties (Note 8)	-	(354,478)	-	-	-	-	(354,478)
Transfer to investment in an associate (Note 10)		(1,245)	-	(61,018)	(186)	-	(62,449)
Eliminated on disposal of subsidiaries (Note 38)	-	-	-	(537)	(4,578)	-	(5,115)
Write-off	-	-	(7,793)	-	(393)	-	(8,186)
Disposals	-	(4,129)	(283,747)	(527,146)	(121,287)	-	(936,309)
Impairment (reversal) / charge for the year	-	(300,219)	-	-	284	-	(299,935)
Foreign currency translation differences	-	(8,805)	(2,547)	(2,439)	(9,767)	-	(23,558)
At 31 December 2022	**-**	**6,241,985**	**3,527,211**	**3,890,106**	**2,507,099**	**11,060**	**16,177,461**
Carrying amount							
At 31 December 2022	**225,234**	**6,843,157**	**2,589,965**	**2,664,475**	**922,924**	**1,097,236**	**14,342,991**
At 31 December 2021	225,234	1,002,560	1,553,786	2,878,074	146,173	559,383	6,365,210

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

5 Property, plant and equipment (continued)

The Group owns plots of land in the UAE and overseas on which assets are being constructed and / or operated.

Capital work-in-progress includes the costs incurred on construction of labour camps, buildings and other major assets, which will be capitalised to the respective asset categories on completion.

During the year, the Group acquired certain properties through business combinations, which were accounted for as asset acquisitions since substantially all assets were concentrated in a single identifiable asset.

During the year, the Group carried out a review of the recoverable amount of its hotel properties due to change in the estimates used to determine the hotel properties' recoverable amount. The review resulted in a reversal of impairment loss of AED 312,362 thousand (2021: nil) which has been recorded in the consolidated statement of profit or loss.

Depreciation for the year has been allocated as follows:

	2022	2021
	AED'000	AED'000
Direct costs (Note 33)	**786,388**	464,978
General, administrative and selling expenses (Note 34)	**369,662**	43,264
	1,156,050	508,242

Assets pledged as security
Freehold land, buildings, vehicles, vessels and dredgers with a carrying amount of AED 5,825 million (2021: AED 2,241 million) have been pledged to secure borrowings of the Group (Note 27).

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

6 Intangible assets

	Software and licenses AED '000	Customer related intangibles AED '000	Brand and trademark AED '000	Intangible assets under development AED '000	Total AED '000
Cost					
At 1 January 2021	6,887	-	-	-	6,887
Additions	3,465	-	-	-	3,465
Acquired in common control business combinations (Note 41)	23,000	146,300	736	-	170,036
Assets arising on acquisition of subsidiaries (Note 42)	-	1,139,800	-	-	1,139,800
At 31 December 2021	33,352	1,286,100	736	-	1,320,188
Additions	61,539	96	384	8,881	70,900
Acquired in common control business combinations (Note 41)	6,536	-	964	-	7,500
Assets arising on acquisition of subsidiaries (Note 42)	1,118,526	2,347,619	3,090,826	23,318	6,580,289
Eliminated on acquisition of a subsidiary	(13)	-	-	-	(13)
Transfer	16,481	-	-	(16,481)	-
Settlement of a pre-existing relationship (Note 42)	-	(1,095,198)	-	-	(1,095,198)
Disposals	-	(44,602)	-	-	(44,602)
Impairment	-	-	(569)	-	(569)
Write-off	(13,106)	-	-	-	(13,106)
Foreign currency translation differences	(286)	(6,832)	-	-	(7,118)
At 31 December 2022	**1,223,029**	**2,487,183**	**3,092,341**	**15,718**	**6,818,271**
Accumulated amortization					
At 1 January 2021	6,613	-	-	-	6,613
Charge for the year	3,089	90,100	74	-	93,263
Acquired in common control business combinations (Note 41)	8,750	-	369	-	9,119
At 31 December 2021	18,452	90,100	443	-	108,995
Charge for the year	34,065	189,178	13,743	-	236,986
Acquired in common control business combinations (Note 41)	667	-	210	-	877
Assets arising on acquisition of subsidiaries (Note 42)	1,013,792	14	-	-	1,013,806
Eliminated on acquisition of a subsidiary	(13)	-	-	-	(13)
Settlement of a pre-existing relationship (Note 42)	-	(54,760)	-	-	(54,760)
Write-off	(6,665)	-	-	-	(6,665)
Foreign currency translation differences	(430)	(37)	-	-	(467)
At 31 December 2022	**1,059,868**	**224,495**	**14,396**	**-**	**1,298,759**
Carrying amount					
At 31 December 2022	**163,161**	**2,262,688**	**3,077,945**	**15,718**	**5,519,512**
At 31 December 2021	14,900	1,196,000	293	-	1,211,193

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

6 Intangible assets (continued)

Customer related intangibles and brand include intangible assets acquired through business combinations. The customer related intangibles have useful life of 2 to 20 years. The major assumptions used in the calculation include discount rate in the range of 5.8% to 20% and growth rate of up to 1.9%.

Amortisation for the year has been allocated as follows:

	2022	2021
	AED'000	AED'000
Direct costs (Note 33)	**105,465**	90,148
General, administrative and selling expenses (Note 34)	**131,521**	3,115
	236,986	93,263

7 Goodwill

	2022	2021
	AED'000	AED'000
At 1 January	**451,672**	-
Acquired in common control business combinations (Note 41)	**-**	451,672
Assets arising on acquisition of subsidiaries (Note 42)	**3,573,733**	-
Other movements	**(265)**	-
Foreign currency translation differences	**(17,696)**	-
At 31 December	**4,007,444**	451,672

For impairment testing goodwill acquired through business combination is allocated to cash generating units ('CGU') as follows:

	Real estate	**Healthcare**	**Others**	**Total**
	AED'000	**AED'000**	**AED'000**	**AED'000**
At 31 December 2022				
Goodwill	2,159,598	1,341,841	506,005	**4,007,444**
At 31 December 2021				
Goodwill	-	-	451,672	451,672

The recoverable amounts have been computed based on value in use approach derived from financial projections made for a 6–10-year period plus a terminal value thereafter. The methodology used for the estimation of fair value less cost to sell was discounted cash flow.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

7 Goodwill (continued)

The following key assumptions were used in the discounted cash flow model:

	Real estate		Healthcare		Others	
	2022	2021	**2022**	2021	**2022**	2021
Terminal growth rate	**12%**	-	**1.1 - 2%**	-	**2 – 3%**	2%
Discount rate	**15%**	-	**9.7 - 10.8%**	-	**10%**	8.1%

8 Investment properties

	Land AED '000	Completed properties AED '000	Property under construction AED '000	Total AED '000
Cost				
At 1 January 2021	-	124,800	-	124,800
Acquired in common control business combinations (Note 41)	62,475	610,011	-	672,486
Assets of group held-for-sale	-	(252,102)	-	(252,102)
At 31 December 2021	62,475	482,709	-	545,184
Additions	-	4,939,630	157,328	5,096,958
Assets arising on acquisition of subsidiaries (Note 42)	561,240	17,231,338	832,945	18,625,523
Transfer	-	393,247	(393,247)	-
Transfer from property, plant, and equipment (Note 5)	-	109,580	-	109,580
Transfer to development work-in-progress (Note 17)	-	-	(416,450)	(416,450)
Transfer to inventories	-	(10,544)	(17,122)	(27,666)
Disposals	-	(156,916)	-	(156,916)
Foreign currency translation differences	-	(66,093)	(48,691)	(114,784)
At 31 December 2022	**623,715**	**22,922,951**	**114,763**	**23,661,429**

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

8 Investment properties (continued)

	Land AED '000	Completed properties AED '000	Property under construction AED '000	Total AED '000
Accumulated depreciation				
At 1 January 2021	-	15,113	-	15,113
Charge for the year	-	8,869	-	8,869
Charge for the year for assets of disposal group	-	1,348	-	1,348
Acquired in common control business combinations (Note 41)	-	119,405	-	119,405
Assets of group held-for-sale	-	(34,264)	-	(34,264)
At 31 December 2021	-	110,471	-	110,471
Charge for the year	-	488,103	-	488,103
Assets arising on acquisition of subsidiaries (Note 42)	-	2,796	-	2,796
Disposals	-	(2,424)	-	(2,424)
At 31 December 2022	**-**	**598,946**	**-**	**598,946**
Carrying amount				
At 31 December 2022	**623,715**	**22,324,005**	**114,763**	**23,062,483**
At 31 December 2021	62,475	372,238	-	434,713

Depreciation for the year has been allocated as follows:

	2022 AED'000	2021 AED'000
Direct costs (Note 33)	**487,954**	8,869
General, administrative and selling expenses (Note 34)	**149**	-
	488,103	8,869

Investment properties includes plots of land as well as commercial and residential properties in the United Arab Emirates, Iraq, Egypt, and Seychelles.

During the year, the Group acquired certain properties through business combinations, which were accounted for as asset acquisitions since substantially all assets were concentrated in a single identifiable asset.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

8 Investment properties (continued)

A description of the valuation techniques used and key inputs to the valuations of investment properties as at 31 December 2022 is as follows:

Property	Valuation technique	Significant inputs	Sensitivity
Plots of land	Residual method	Sales rate and discount rate	Changes in micro and macro-economic conditions would cause a significant impact.
Completed properties	Income capitalisation method, discounted cashflow	Capitalisation approach, annual market rent, discount rate	Changes in multiple inputs could result in a significant impact on the value.
Property under construction	Income capitalisation method, discounted cashflow	Capitalisation of construction costs incurred	Changes in multiple inputs could result in a significant impact on the value.

Details of rental income relating to investment properties are as follows:

	2022	2021
	AED'000	AED'000
Rental income	**1,527,938**	46,726
Direct operating costs	**510,822**	16,469

Assets pledged as security

Buildings with a carrying amount of AED 3,102 million (2021: AED 268 million) have been pledged to secure borrowings of the Group (Note 27).

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

9 Right-of-use assets and lease liabilities

Right-of-use assets

The Group leases several assets in the UAE, with approximate lease terms ranging from 2 - 50 years (2021: 2 to 50 years).

Set out below are the carrying amounts and movement of right-of-use assets:

	Land AED '000	Building AED '000	Machinery AED '000	Total AED '000
Cost				
At 1 January 2021	86,520	-	-	86,520
Additions	5,902	61,794	-	67,696
Acquired in common control business combinations (Note 41)	379,916	52,733	19,011	451,660
Assets arising on acquisition of subsidiaries (Note 42)	-	89,978	-	89,978
Lease modifications and cancellations for the year	(19)	137	(19,011)	(18,893)
Leases related to assets held-for-sale	-	(4,866)	-	(4,866)
At 31 December 2021	472,319	199,776	-	672,095
Additions	49,639	1,391,289	12,549	1,453,477
Acquired in common control business combinations (Note 41)	-	23,559	-	23,559
Assets arising on acquisition of subsidiaries (Note 42)	345,238	370,658	115,163	831,059
Lease modifications and cancellations for the year	(9,499)	(4,866)	(16,208)	(30,573)
Eliminations on disposal of a subsidiary (Note 38)	-	(1,241)	-	(1,241)
Eliminations arising on business combinations	-	(179,990)	-	(179,990)
Foreign currency translation differences	-	(4,166)	-	(4,166)
At 31 December 2022	**857,697**	**1,795,019**	**111,504**	**2,764,220**

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

9 Right-of-use assets and lease liabilities (continued)

	Land AED '000	Building AED '000	Machinery AED '000	Total AED '000
Accumulated depreciation				
At 1 January 2021	15,682	-	-	15,682
Acquired in common control business combinations (Note 41)	8,234	21,096	3,066	32,396
Assets arising on acquisition of subsidiaries (Note 42)	-	8,998	-	8,998
Charge for the year	18,672	11,013	818	30,503
Charge for the year for assets of disposal group	-	1,122	-	1,122
Lease modifications and cancellations for the year	-	-	(3,884)	(3,884)
Leases related to assets held-for-sale	-	(1,364)	-	(1,364)
At 31 December 2021	42,588	40,865	-	83,453
Charge for the year	47,851	75,936	5,007	128,794
Charge for the year for assets of disposal group	-	98	-	98
Acquired in common control business combinations (Note 41)	-	4,233	-	4,233
Assets arising on acquisition of subsidiaries (Note 42)	-	187,472	69,453	256,925
Lease modifications and cancellations for the year	(10,934)	(4,065)	(16,207)	(31,206)
Eliminations on disposal of a subsidiary (Note 38)	-	(171)	-	(171)
Eliminations arising on business combinations	-	(105,001)	-	(105,001)
Foreign currency translation differences	-	(2,235)	-	(2,235)
At 31 December 2022	**79,505**	**197,132**	**58,253**	**334,890**
Carrying amount At 31 December 2022	**778,192**	**1,597,887**	**53,251**	**2,429,330**
At 31 December 2021	429,731	158,911	-	588,642

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

9 Right-of-use assets and lease liabilities (continued)

Right-of-use assets (continued)

Amounts recognised in relation to right-of-use assets in the consolidated statement of profit or loss during the year is as follows:

	2022	2021
	AED '000	AED '000
Depreciation	**128,794**	30,503
Expense relating to short-term lease and low value assets	**296,134**	187,616
Depreciation for assets of disposal group	**98**	1,122
(Gain) \ loss on lease cancellations and modifications	**(3,341)**	2,446
Finance costs (Note 37)	**61,172**	15,704
Finance costs for assets held-for-sale	**-**	56
	482,857	237,447

Depreciation for the year has been allocated as follows:

	2022	2021
	AED'000	AED'000
Direct costs (Note 33)	**4,178**	7,417
General, administrative and selling expenses (Note 34)	**124,616**	23,086
	128,794	30,503

Right-of-use-assets amounting to AED 54 million (2021: 57 million) have been pledged to secure certain borrowings of the Group (Note 27).

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

9 Right-of-use assets and lease liabilities (continued)

Lease liabilities

Set below are the carrying amount of lease liabilities and movements during the year:

	2022	2021
	AED '000	AED '000
At 1 January	**587,439**	73,366
Acquired in common control business combinations (Note 41)	**20,337**	403,809
Liabilities arising on acquisition of subsidiaries (Note 42)	**591,603**	82,359
Additions	**1,456,450**	65,753
Transfer to assets of group held-for-sale (Note 38)	**-**	(1,991)
Finance costs	**61,172**	15,760
Lease modifications and cancellations	**2,679**	(12,564)
Eliminations arising on business combinations	**(83,348)**	-
Eliminations on disposal of a subsidiary (Note 38)	**(1,133)**	-
Foreign currency translation differences	**(938)**	-
Payment of lease liabilities	**(126,374)**	(39,053)
At 31 December	**2,507,887**	587,439

Lease liabilities are presented in the consolidated statement of financial position as follows:

	2022	2021
	AED '000	AED '000
Amounts due for settlement within 12 months	**141,989**	41,858
Amounts due for settlement after 12 months	**2,365,898**	545,581
	2,507,887	587,439

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

10 Investment in associates and joint ventures

Investment in associates and joint ventures are classified in the consolidated statement of financial position as follows:

	2022 **AED '000**	2021 AED '000
Investment in associates	**3,942,867**	11,617,762
Investment in joint ventures	**771,409**	70,886
	4,714,276	11,688,648

Share of results of associates and joint ventures are classified in consolidated statement of profit or loss:

	2022 **AED '000**	2021 AED '000
Investment in associates	**(165,758)**	(27,940)
Investment in joint ventures	**(191,797)**	37,240
	(357,555)	9,300

The movement in investment in associates is as follows:

	2022 **AED '000**	2021 AED '000
At 1 January	**11,617,762**	2,706
Additions	**868,585**	248,211
Assets arising on acquisition of subsidiaries (Note 42)	**69,365**	-
Transfers from property, plant, and equipment (Note 5)	**23,637**	-
Acquired in common control business combinations (Note 41)	**-**	2,080,404
Dividends received	**(22,324)**	(2,455)
Share of other comprehensive loss	**(24,579)**	-
Foreign exchange translation difference	**(105,323)**	515
Share of results	**(165,758)**	(27,940)
Partial disposal during the year	**(381,393)**	(25,458)
Derecognition of investment in an associate (a)	**(9,483,875)**	-
Increase in equity (b)	**1,598,346**	-
Gain arising on remeasurement (c)	**116,430**	-
Reduction in investment in an associate (d)	**(32,000)**	-
Transfer from investment in financial assets (Note 12) and (e)	**-**	9,341,779
Other movements (f)	**(136,006)**	-
At 31 December	**3,942,867**	11,617,762

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

10 Investment in associates and joint ventures (continued)

a) Note 42 explains how the Group's interest in Aldar previously treated as an investment in an associate was de-recognised and instead was consolidated during the year as a subsidiary under IFRS 10. The gain on derecognition of this investment is recognised in the consolidated statement of profit or loss as at 31 December 2022 as follows:

		2022 AED '000
Fair value of the investment on derecognition		**12,104,510**
Carrying value of the investment		**(9,483,875)**
Gain on derecognition	**A**	**2,620,635**

b) During the year, Q Holding PSC ("Q Holding") acquired Reem Investments PJSC ("Reem") and issued new shares to the shareholders of Reem at a premium. This resulted in an increase in the equity of Q Holding and diluted the Group's ownership interest in Q Holding from 25.24% to 20.61% but remained an associate. The gain on the partial disposal of investment in Q Holding on dilution of ownership interest is recognised on the consolidated statement of profit or loss as at 31 December 2022 as follows:

		2022 AED '000
Increase in Q Holding's equity		**1,598,346**
Carrying value of the investment on dilution		**(339,081)**
Gain on disposal	**B**	**1,259,265**
	A+B	**3,879,900**

Q Holding shares are listed on ADX with its fair value based on the quoted price as at 31 December 2022 being AED 5,701 million (2021: AED 6,284 million).

c) The Group has incorporated an entity which involved an in-kind contribution of some of its property, plant and equipment, employees and revenue contracts. The Group disposed 51% of its interest in the entity resulting in a gain of AED 237.6 million recognised in the consolidated statement of profit and loss. The Group retained a 49% interest in the entity, which is classified as an associate and was initially recognised at a cost of AED 23.6 million. Subsequently, the interest was remeasured at fair value, resulting in a gain of AED 116.4 million.

d) During the year, the share capital of an associate was reduced, consequently, the Group received AED 32 million which was recognised as reduction the Group's interest in the associate.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

10 Investment in associates and joint ventures (continued)

e) The Group acquired 12.78% of Aldar in April 2021, initially accounting for it as a financial asset at FVTOCI. On 31 December 2021, an additional 17% was acquired resulting in the interest being categorised under investment in associates, arising from the achievement of significant influence. Both acquisitions were common control transactions (Note 41). The fair value of the Group's interest based on the quoted price of Aldar at that time, which is listed on ADX, is AED 9,342 million.

f) During the year, the Group performed an impairment review of an associate and recorded an impairment of AED 136 million.

Response Plus Holding PrJSC ("RPM") shares are listed on ADX with the fair value based on the quoted price of RPM as at 31 December 2022 being AED 416 million (2021: 695 million).

The latest available financial information in respect of the Group's associates is summarised below:

	PAL 4 Solar	**Q Holding**	**Gordon**	**RPM**	**Others**	**Total**	Total
	----------	----------	----------	**2022**	----------	----------	2021
	AED '000	**AED '000**	**AED '000**	**AED '000**	**AED '000**	**AED '000**	AED '000
Non-current assets	**1,853,434**	**8,716,387**	**1,337,515**	**60,386**	**2,562,190**	**14,529,912**	33,636,464
Current assets	**11,954**	**10,676,517**	**258,357**	**261,101**	**392,605**	**11,600,534**	32,001,117
Non-current liabilities	**-**	**(1,709,480)**	**(9,264)**	**(10,768)**	**(1,749,503)**	**(3,479,015)**	(13,244,212)
Current liabilities	**(941,411)**	**(3,584,411)**	**(97,431)**	**(80,103)**	**(307,385)**	**(5,010,741)**	(15,815,274)
Total net equity	**923,977**	**14,099,013**	**1,489,177**	**230,616**	**897,907**	**17,640,690**	36,578,095
Attributable to:							
Owners of the entity	**923,977**	**13,143,758**	**1,489,177**	**230,616**	**897,907**	**16,685,435**	34,829,784
Non-controlling interests	**-**	**955,255**	**-**	**-**	**-**	**955,255**	1,748,311
Total net equity	**923,977**	**14,099,013**	**1,489,177**	**230,616**	**897,907**	**17,640,690**	36,578,095
Group's share of net assets	**184,795**	**2,679,397**	**372,294**	**83,021**	**333,423**	**3,652,930**	10,124,848
Goodwill	**-**	**16,310**	**243,738**	**149,803**	**23,602**	**433,453**	1,492,914
Other adjustments	**(740)**	**-**	**-**	**-**	**(142,776)**	**(143,516)**	-
At 31 December	**184,055**	**2,695,707**	**616,032**	**232,824**	**214,249**	**3,942,867**	11,617,762

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

10 Investment in associates and joint ventures (continued)

The share of results of associates recognised during the year are as follows:

	PAL 4 Solar	Q Holding	Gordon	RPM	Others*	Total	Total
	2022						2021
	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000
Revenue	-	**682,406**	**149,190**	**321,013**	**157,475**	**1,310,084**	381,436
(Loss) / profit for the year	**(22,000)**	**750,832**	**41,424**	**31,512**	**56,431**	**858,199**	(89,996)
Group's share of (loss) / profit for the year	**(4,400)**	**153,060**	**10,356**	**11,344**	**(336,118)**	**(165,758)**	(27,940)
Other comprehensive (loss) / income	-	**(26,223)**	**951**	-	**(72,840)**	**(98,112)**	-
Group's share of other comprehensive (loss) / income	-	**(3,115)**	**238**	-	**(21,702)**	**(24,579)**	-
Dividend	-	-	-	**(18,000)**	-	**(18,000)**	(2,455)

Contingencies and commitments:

The Group's share in material contingencies and commitments of associates are as follows:

	2022	2021
	AED '000	AED '000
Capital commitments	**112,644**	3,408,852
Operating lease commitments	**-**	1,520,532
Letters of guarantee	**52,710**	76,619
Contingencies	**82,000**	220,412

The movement in the Group's investment in joint ventures are as follows:

	2022	2021
	AED '000	AED '000
At 1 January	**70,886**	7,658
Additions	**854,072**	-
Assets arising on acquisition of subsidiaries (Note 42)	**46,205**	-
Acquired in common control business combinations (Note 41)	**-**	25,988
Foreign exchange translation differences	**(7,957)**	-
Share of results during the year	**(191,797)**	37,240
At 31 December	**771,409**	70,886

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

10 Investment in associates and joint ventures (continued)

The financial information in respect of the Group's interest in joint ventures are summarised below:

	WIO Holding	CEEMDC	CRCC-NPC	Munich Health Daman	Others	Total	Total
	2022						2021
	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000
Non-current assets	**11,525**	**-**	**385**	**93,745**	**18,686**	**124,341**	385
Current assets	**2,468,526**	**471,194**	**934,269**	**-**	**1,362**	**3,875,351**	1,906,443
Non-current liabilities	**-**	**-**	**-**	**-**	**-**	**-**	-
Current liabilities	**(634,074)**	**(413,645)**	**(934,654)**	**(131)**	**(18,686)**	**(2,001,190)**	(1,762,164)
Total net equity	**1,845,977**	**57,549**	**-**	**93,614**	**1,362**	**1,998,502**	144,664
Attributable to:							
Owners of the entity	**1,199,885**	**57,549**	**-**	**93,614**	**1,362**	**1,352,410**	144,664
Non-controlling interests	**646,092**	**-**	**-**	**-**	**-**	**646,092**	-
Total net equity	**1,845,977**	**57,549**	**-**	**93,614**	**1,362**	**1,998,502**	144,664
Group's share of net assets	**611,941**	**28,199**	**-**	**45,871**	**681**	**686,692**	70,886
Goodwill	**84,717**	**-**	**-**	**-**	**-**	**84,717**	-
At 31 December	**696,658**	**28,199**	**-**	**45,871**	**681**	**771,409**	70,886

Current assets includes cash and cash equivalents amounting to AED 700 million.

The share in profit of joint ventures has been recognised as follows:

	WIO Holding	CEEMDC	CRCC-NPC	Munich Health Daman	Others	Total	Total
	2022						2021
	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000
Revenue	**24,339**	**483,021**	**1,003,401**	-	-	**1,510,761**	2,010,780
Profit for the year	**(295,116)**	**8,392**	**(79,300)**	**657**	**(13,730)**	**(379,097)**	76,000
Group's share of profit for the year	**(150,509)**	**4,112**	**(38,857)**	**322**	**(6,865)**	**(191,797)**	37,240

11 Joint operations

These consolidated financial statements include the Group's proportionate share of jointly controlled operations, details of which are provided below:

	2022 AED '000	2021 AED '000
Current assets	**65,626**	146,419
Current liabilities	**(63,110)**	(51,476)
Net assets	**2,516**	94,943

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

12 Investment in financial assets

	2022	2021
	AED '000	AED '000
Quoted securities		
FVTPL investments		
At 1 January	**823,267**	-
Additions during the year	**786,244**	300,060
Assets arising on acquisition of subsidiaries (Note 42)	**341,778**	-
Unrealised fair value gain	**263,803**	232,042
Foreign exchange gain	**77**	-
Transfer to assets of group held-for-sale (Note 38)	**-**	(119,855)
Acquired in common control business combinations (Note 41)	**-**	411,020
Write-off	**(57)**	-
Disposals during the year	**(17,135)**	-
At 31 December	**2,197,977**	823,267
FVTOCI investments		
At 1 January	**1,587**	-
Assets arising on acquisition of subsidiaries (Note 42)	**228,691**	-
Unrealised fair value gain	**86,194**	350,794
Additions during the year	**8,891**	11,581
Foreign exchange gain	**60**	-
Transfer to assets of group held-for-sale (Note 38)	**-**	(518,282)
Acquired in common control business combinations (Note 41)	**-**	9,603,731
Transfer to investment in associates and joint ventures (Note 10)	**-**	(9,341,779)
Disposal during the year	**(81,188)**	(104,458)
At 31 December	**244,235**	1,587
Unquoted securities		
FVTPL investments		
At 1 January	**177,157**	-
Additions during the year	**3,396,520**	12,488
Assets arising on acquisition of subsidiaries (Note 42)	**27,894**	-
Foreign exchange gain	**726**	-
Transfer to assets of group held-for-sale (Note 38)	**-**	(280,000)
Acquired in common control business combinations (Note 41)	**-**	444,669
Disposal during the year	**(7,616)**	-
Unrealised fair value loss	**(461,908)**	-
At 31 December	**3,132,773**	177,157

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

12 Investment in financial assets (continued)

	2022 AED '000	2021 AED '000
FVTOCI investments		
At 1 January	**63**	-
Additions during the year	**1,010,582**	45
Transfer from assets of group held-for-sale (Note 38)	**-**	(132)
Acquired in common control business combinations (Note 41)	**-**	168
Disposal during the year	**(63)**	-
Foreign exchange loss	**(644)**	(18)
Unrealised fair value loss	**(158,204)**	-
At 31 December	**851,734**	63
Debt instruments at amortised cost		
At 1 January	**-**	-
Additions during the year	**442,038**	-
Assets arising on acquisition of subsidiaries (Note 42)	**142,800**	-
Acquired in common control business combinations (Note 41)	**-**	499
Transfer from to assets of group held-for-sale (Note 38)	**-**	(8)
Foreign exchange loss	**(41,334)**	(1)
Disposal during the year	**(375,563)**	(490)
At 31 December	**167,941**	-
Loss allowance (Note 41)	**(23)**	(1,848)
Assets of group held-for-sale (Note 38)	**-**	1,848
Total	**6,594,637**	1,002,074

Financial assets carried at FVTPL and at FVTOCI are as follows:

	2022			2021
	Quoted AED '000	**Unquoted AED '000**	**Total AED '000**	Total AED '000
Financial assets carried at FVTPL				
Equity instruments	2,197,977	106,976	**2,304,953**	987,936
Investment in funds	-	3,025,797	**3,025,797**	12,488
	2,197,977	3,132,773	**5,330,750**	1,000,424

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

12 Investment in financial assets (continued)

	2022			2021
	Quoted AED '000	**Unquoted AED '000**	**Total AED '000**	Total AED '000
Financial assets carried at FVTOCI				
Equity instruments	155,094	851,734	**1,006,828**	1,650
Debt instruments	89,141	-	**89,141**	-
	244,235	851,734	**1,095,969**	1,650
Debt instruments at amortised cost				
Treasury bills	-	167,941	**167,941**	-
Allowance for ECL	-	(23)	**(23)**	-
	-	167,918	**167,918**	-
Total	2,442,212	4,152,425	**6,594,637**	1,002,074

All financial assets carried at FVTPL are classified as current, whereas those carried at FVTOCI are classified as non-current.

	2022 AED '000	2021 AED '000
Non-current	**1,209,831**	1,650
Current	**5,384,806**	1,000,424
Total	**6,594,637**	1,002,074

	2022 AED '000	2021 AED '000
Geographical markets:		
UAE	**2,218,879**	806,010
Outside the UAE	**4,375,758**	196,064
	6,594,637	1,002,074

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

13 Contract assets

	2022 **AED '000**	2021 AED '000
Contract assets		
Amounts due from customer – third parties	**4,267,962**	4,099,275
Amounts due from customers – related parties (Note 18)	**953,512**	978,508
Less: allowance for ECL	**(81,873)**	(96,336)
	5,139,601	4,981,447
Contract costs	**1,652,591**	762,293
Reinsurance contract assets (Note 30)	**394,127**	-
At 31 December	**7,186,319**	5,743,740

Allocation of total contract assets into current and non-current as follows:

	2022 **AED '000**	2021 AED '000
Current	**7,186,319**	5,055,762
Non-current	**-**	687,978
At 31 December	**7,186,319**	5,743,740

The Group measures the ECL allowance on amounts due from customers at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the respective industries.

The following table shows the movement in lifetime ECL that has been recognised for contract assets in accordance with the simplified approach set out in IFRS 9:

	2022 **AED '000**	2021 AED '000
At 1 January 2021	**96,336**	25,558
Acquired in common control business combinations	**-**	779
(Reversal) / charge for the year	**(14,463)**	362,228
Written off	**-**	(292,229)
At 31 December	**81,873**	96,336

There has not been any significant change in the gross amounts of contract assets that has affected the estimation of ECL.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

13 Contract assets (continued)

The following table details the risk profile of amounts due from customers based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

	2022	2021
31 December 2022		
ECL rate	**1.57%**	1.90%
Estimated total gross carrying amount at default – AED '000	**5,221,474**	5,077,783
Lifetime ECL – AED '000	**81,873**	96,336

14 Taxation

	2022	2021
	AED '000	AED '000
Income tax		
Current year	**116,937**	16,468
Reversal of prior year provisions relating to foreign operations	**(10,027)**	(10,000)
	106,910	6,468
Deferred tax		
Origination and reversal of temporary differences	**(38,378)**	(382)
	68,532	6,086

The average rate of income tax applied on taxable profit ranges from 10% to 20%. The charge for the year reconciled to profit before tax is as follows:

	2022	2021
	AED '000	AED '000
Profit before tax	**10,675,906**	5,173,455
Profit not subject to tax	**(10,131,769)**	(4,995,503)
Expenses not deductible for tax purposes	**21,591**	7,341
Profit subject to tax	**565,728**	185,293
Income tax	**116,937**	16,498
Deferred tax	**(38,378)**	(382)
Prior year adjustments	**(10,027)**	(10,030)
Tax expense for the year	**68,532**	6,086

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

14 Taxation (continued)

Net deferred tax presented in the consolidated statement of financial position is as under:

	2022	2021
	AED '000	AED '000
Income tax		
Deferred tax assets	**75,590**	17,157
Deferred tax liabilities	**(88)**	(222)
	75,502	16,935

15 Trade and other receivables

	2022	2021
	AED '000	AED '000
Trade receivables	**9,135,123**	4,331,780
Due from policy holders	**1,046,248**	-
Less: allowance for ECL	**(603,501)**	(216,039)
Net trade receivables	**9,577,870**	4,115,741
Retention receivables	**730,245**	474,124
Less: allowance for ECL	**(48,406)**	(45,493)
Net retention receivables	**681,839**	428,631
Advances to suppliers	**3,825,218**	1,198,129
Less: allowance for ECL	**(1,798)**	(1,798)
Net advances to suppliers	**3,823,420**	1,196,331
Other receivables	**3,629,248**	686,214
Less: allowance for ECL	**(226,101)**	-
Net other receivables	**3,403,147**	686,214
Subsidy receivable from Government	**961,380**	-
Government funded programs receivables	**1,740,078**	-
Prepayments and deposits	**1,063,544**	337,072
Derivative financial instruments (Note 29)	**248,792**	6,403
	21,500,070	6,770,392

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

15 Trade and other receivables (continued)

Allocation of total trade and other receivables into current and non-current is as follows:

	2022 **AED '000**	2021 AED '000
Non-current	**832,929**	52,713
Current	**20,667,141**	6,717,679
	21,500,070	6,770,392

The average credit period on sale of goods and rendering of services is 30 to 90 days. Before accepting new customers, the Group generally assesses their credit quality.

Out of the trade receivables balance at the end of the reporting year, AED 2,244 million (2021: AED 2,930 million) representing 23% (2021: 68%) of trade receivables are amounts due from five (2021: five) major customers of the Group.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables, retention receivables and advances to suppliers in accordance with the simplified approach set out in IFRS 9.

	Collectively assessed AED '000	**Individually assessed AED '000**	**Total AED '000**
Trade receivables			
At 1 January 2021	65,503	61,405	126,908
Acquired in common control business combinations	26,135	40,230	66,365
Net re-measurement of ECL	58,206	3,119	61,325
Written off	(29,026)	(8,610)	(37,636)
Additions due to acquisition of subsidiaries	2,634	-	2,634
Disposal assets as held-for-sale	-	(3,557)	(3,557)
At 31 December 2021	123,452	92,587	216,039
Acquired in common control business combinations	260,487	-	260,487
Net re-measurement of ECL	(23,964)	70,446	46,482
Written off	(78,879)	(16,623)	(95,502)
Additions due to acquisition of subsidiaries	-	175,995	175,995
At 31 December 2022	**281,096**	**322,405**	**603,501**

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

15 Trade and other receivables (continued)

	Collectively assessed AED '000	Individually assessed AED '000	Total AED '000
Retention receivables			
At 1 January 2021	36,316	17,349	53,665
Net re-measurement of ECL	1,148	(9,320)	(8,172)
At 31 December 2021	37,464	8,029	45,493
Net re-measurement of ECL	(685)	3,598	2,913
At 31 December 2022	**36,779**	**11,627**	**48,406**
Advances to suppliers			
At 1 January 2021 and 2022	-	1,798	1,798
Net re-measurement of ECL	-	-	-
At 31 December 2022	**-**	**1,798**	**1,798**
Other receivables			
At 1 January 2022	-	-	-
Additions due to acquisition of subsidiaries	-	226,101	226,101
At 31 December 2022	**-**	**226,101**	**226,101**

The following table details the risk profile of amounts due from customers based on the Group's provision matrix. The Group's historical credit loss experience does not show significantly different loss patterns for different customer segments.

	Collective and individual assessment					
	Not past due	**31-60 days**	**61-90 days**	**91-120 days**	**> 120 days**	**Total**
31 December 2022						
ECL rate	0.6%	1.4%	5%	5%	20%	6%
Estimated total gross carrying amount at default (AED '000)	5,792,429	712,858	542,074	600,113	2,533,897	10,181,371
Lifetime ECL (AED '000)	**32,408**	**9,962**	**28,029**	**30,409**	**502,693**	**603,501**
31 December 2021						
ECL rate	0.4%	0.6%	3%	7%	17%	5%
Estimated total gross carrying amount at default (AED '000)	2,274,283	701,220	165,481	104,542	1,086,254	4,331,780
Lifetime ECL (AED '000)	9,924	3,911	5,033	7,372	189,799	216,039

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

16 Inventories

	2022 AED '000	2021 AED '000
Land plots held-for-sale	**8,115,029**	-
Completed properties	**940,240**	-
Goods held-for-trading and finished goods	**1,002,106**	124,050
Materials, parts, and consumables	**774,721**	636,678
	10,832,096	760,728
Less: allowance for obsolescence	**(454,371)**	(62,747)
	10,377,725	697,981

During 2022, AED 7.3 billion (2021: AED 3.6 billion) was recognised as an expense for inventories carried at NRV. This is recognised in cost of sales.

Land plots held-for-sale with a carrying amount of AED 538 million (2021: Nil) have been pledged to secure borrowings of the Group (Note 27).

The determination of NRV of plots of land held-for-sale is based on external valuations using various valuation methodologies and techniques. Plots of land held-for-sale are located in United Arab Emirates.

The movement in the allowance for inventories obsolescence is as follows:

	2022 AED '000	2021 AED '000
At 1 January	**62,747**	6,010
Acquired in common control business combinations	**400,303**	53,835
Charge for the year, net of reversals (Note 34)	**6,168**	2,902
Write-off	**(14,847)**	-
At 31 December	**454,371**	62,747

Charge for the year has been included in general, administrative and selling expenses.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

17 Development work-in-progress

Development work-in-progress includes land in the United Arab Emirates which the Group intends to develop, disaggregate and sell as individual smaller properties. Movement during the year is as follows:

	2022	2021
	AED '000	AED '000
At 1 January	**147,012**	146,760
Assets arising on acquisition of subsidiaries (Note 42)	**3,673,726**	-
Additions	**2,419,362**	252
Transfer from investment properties (Note 8)	**416,450**	-
Transferred from inventories	**220,341**	-
Write-down	**(37,714)**	-
Impairment	**(73,333)**	-
Foreign exchange translation differences	**(824,046)**	-
Recognised in direct costs of properties sold	**(1,801,860)**	-
At 31 December	**4,139,938**	147,012

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

18 Related party balances and transactions

Related parties are the shareholders, key management and the entities in which the shareholders have the ability to control or exercise significant influence in operating and financial decisions. The Group maintains balances with related parties as follows that arise from transactions at rates agreed between the parties.

	2022	2021
	AED '000	AED '000
Due from related parties:		
Entities managed by key management personnel	**1,149,482**	370,325
Entities under common control	**413,550**	160,416
Joint ventures	**411,798**	198,079
Key management personnel	**-**	12,698
Associates	**20,176**	628,126
Others	**43,178**	-
	2,038,184	1,369,644
Less: allowance for ECL	**(398,791)**	(42,854)
	1,639,393	1,326,790
Due to related parties:		
Entities managed by key management personnel	**845,061**	486,000
Entities under common control	**480,053**	104,555
Key management personnel	**523,118**	**-**
Associates	**2,894**	1,704
Joint ventures	**12,971**	2,444
Others	**155,108**	155,108
	2,019,205	749,811
Loan from a related party (classified under trade and other payables)	**13,300**	13,300
Contract assets (Note 13)	**953,512**	978,508
Contract liabilities	**23,892**	25,831

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

18 Related party balances and transactions (continued)

The following table shows the movement in lifetime ECL that has been recognised for due from related parties in accordance with the simplified approach set out in IFRS 9.

	Collectively assessed AED '000	Individually assessed AED '000	Total AED '000
At 1 January 2021	3,482	66,219	69,701
Net re-measurement of ECL	9,419	(17,868)	(8,449)
Written off	(4,622)	(13,776)	(18,398)
At 31 December 2021	8,279	34,575	42,854
Provision arising on acquisition of subsidiaries	-	184,356	184,356
Net re-measurement of ECL	-	155,926	155,926
Reclassification	15,655	-	15,655
At 31 December 2022	**23,934**	**374,857**	**398,791**

Remuneration of key management personnel of the Group is set out below in aggregate for each of the categories specified in IAS 24.

	2022 AED '000	2021 AED '000
Short-term employee benefits	**151,111**	200,652

Transactions and balances with a financial institution:

	2022 AED '000	2021 AED '000
Balances with a financial institution	**7,125,780**	4,166,917
Borrowings	**6,154,521**	2,502,153
Finance costs	**146,391**	42,165
Interest income	**31,004**	12,241
Drawdowns	**3,739,424**	364,383
Repayment of borrowings	**900,638**	720,856

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

18 Related party balances and transactions (continued)

Significant transactions with related parties include:

	2022 **AED '000**	2021 AED '000
Capital contribution arising from common control transaction (Note 41)	**741,360**	17,183,306
Acquisition of assets from entities under common control (Note 42)	**754,820**	-
Consideration for acquisition of non-controlling interests (Note 43)	**800,000**	-
Revenue from contracts		
- Entities under common control	**772,076**	433,491
- Joint ventures	**6,822**	742,408
- Associates	**1,382**	-
Subcontracting costs / expenses		
- Entities under common control	**721,708**	52,672
- Associates	**4,244**	4,004
- Joint Ventures	**3,759**	-
General, administrative and selling expenses / staff costs	**17,085**	947

Revenue generated from related parties and purchases of goods and services are based on terms and conditions as mutually agreed between the parties.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

19 Cash and cash equivalents

	2022	2021
	AED '000	AED '000
Cash in hand and bank	**15,219,324**	6,756,802
Short term deposits and treasury bills	**10,075,863**	856,234
Wakala deposits	**223,816**	173,272
	25,519,003	7,786,308
Less: impairment loss allowance	**(30,905)**	(30,905)
Cash and bank balances	**25,488,098**	7,755,403
Less:		
Bank overdrafts (Note 27)	**(20,520)**	(379,651)
Restricted cash	**(5,540,613)**	(38,274)
Short term deposit having maturity more than three months	**(3,012,688)**	(473,428)
Wakala deposits	**-**	(173,272)
Add:		
Cash at banks and short-term deposits attributable to disposal group held-for-sale excluding wakala deposits (Note 38)	**-**	245,366
Allowance for ECL	**30,905**	30,905
Cash and cash equivalents	**16,945,182**	6,967,049

Interest earned on short-term deposits and wakala deposits are at market rates.

Bank overdraft facilities were availed from various banks. Bank overdraft facilities were obtained from local banks which were secured by customers approved payment certificates. Bank overdrafts are repayable on demand.

As at 31 December 2022, restricted cash mainly includes cash at banks amounting to AED 243,456 thousand (2021: Nil) held by the Group on behalf of third parties and AED 2,701,012 thousand (2021: Nil) deposited into escrow accounts representing cash received from customers against sale of development properties.

Movement of impairment loss allowance is as follows:

	2022	2021
	AED '000	AED '000
At 1 January	**30,905**	5
Net re-measurement of loss allowance	-	44,226
Acquired in common control business combinations	-	38,558
Other adjustments	-	(11,977)
Relating to assets as held-for-sale	-	(39,907)
At 31 December	**30,905**	30,905

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

19 Cash and cash equivalents (continued)

Balances with banks are assessed to have low credit risk since they are highly regulated by the central banks of the respective countries. Accordingly, the Group estimates the loss allowance on balances with banks at an amount equal to 12-month ECL. None of the balances with banks are past due and taking into account the historical default experience and the current credit ratings of the bank. Impairment loss allowances of AED 30,905 thousand is considered sufficient.

20 Share capital

	2022 **AED '000**	2021 AED '000
Authorised, issued and fully paid 10,000 million shares of AED 1 each (31 December 2021: 10,000 million shares of AED 1 each)	**10,000,000**	10,000,000

In April 2021, the shareholders approved an increase in the share capital of the Company to AED 10 billion comprising of 10 billion authorised, issued and fully paid-up ordinary shares with par a value of AED 1 each, by capitalising the contributed capital and merger reserve which arose under common control business combinations by the Group as detailed in Note 22.

21 Statutory reserve

In accordance with the U.A.E. Federal Decree Law No. (32) of 2021, and the Articles of Association, the Company has established a statutory reserve by appropriation of 5% of its net profits. Such transfers have to be made until the reserve equals 50% of the share capital. This reserve is not available for distribution except in the circumstances stipulated by law.

22 Merger reserve

	2022 **AED '000**	2021 AED '000
At 1 January	**8,723,368**	214,335
Contribution in kind from a shareholder (Note 42)	**2,440,523**	-
Transfer of assets from entities under common control	**754,820**	-
Contribution arising from business combinations under common control (Note 41)	**741,360**	17,183,306
Increase in share capital (Note 20)	**-**	(9,966,406)
Acquisition of non-controlling interests (Note 43)	**-**	452,087
Contribution from shareholder of a subsidiary (Note 42)	**-**	840,046
Transfer to non-controlling interests on dilution of ownership (Note 43)	**(1,120,678)**	-
At 31 December	**11,539,393**	8,723,368

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

22 Merger reserve (continued)

During the year, an additional 2% ownership interest in Aldar was transferred under common control without consideration by the parent company, Accordingly, it was recorded at the fair value of AED 754.8 million as an investment in a subsidiary with the corresponding amount accounted for in the merger reserve.

23 Other reserves

The movements in other reserves are as follows:

	Investment revaluation reserve AED '000	Foreign exchange translation reserve AED '000	Hedging reserve AED '000	Reserves of a disposal group held-for-sale AED '000	Total AED '000
At 1 January 2021	-	-	-	-	-
Other comprehensive loss for the year	336,794	3,096	3,597	-	343,487
Transfer of fair value reserve of equity instruments designated at FVTOCI	(321,600)	-	-	(11,007)	(332,607)
Transfer arising from assets held-for-sale	(21,617)	(3,178)	-	24,795	-
At 31 December 2021	(6,423)	(82)	3,597	13,788	10,880
Other comprehensive loss for the year	(155,953)	(379,276)	34,339	-	(500,890)
Transfer of fair value reserve of equity instruments designated at FVOCI	(3,594)	-	-	-	(3,594)
Transfer arising from assets held-for-sale	10,610	3,178	-	(13,788)	-
At 31 December 2022	**(155,360)**	**(376,180)**	**37,936**	**-**	**(493,604)**

24 Hybrid equity instruments

The Group had issued hybrid equity instruments worth AED 1,836 million (USD 500 million) (the "Notes") to an investor ("Noteholder") in two tranches. Proceeds from the first tranche of AED 1,140 million (USD 310.5 million) were received by the Group in March 2022 with the balance amount in a second tranche received in April 2022.

Issuance period	Issued amount	Coupon rate
March 2022	AED 1,140 million (USD 310.5 million)	Fixed interest rate with a reset after 15 years
April 2022	AED 696 million (USD 189.5 million)	Fixed interest rate with a reset after 15 years

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

24 Hybrid equity instruments (continued)

The Notes do not have any maturity date and the Group may elect at its sole discretion not to pay interest on the Notes. In such event, the Noteholder does not have a right to claim any interest. Accordingly, these instruments have been classified under equity. Transaction costs amounting to approximately AED 20.6 million related to issuance of the Notes were recorded directly in equity.

The movement in hybrid equity instruments net off transaction costs is as follows:

	2022 **AED '000**	2021 AED '000
Arising on acquisition of a subsidiary (Note 42)	**1,126,639**	-
Issuance of new tranche	**689,007**	-
At 31 December	**1,815,646**	-

During the year, the Group paid a coupon amounting to AED 51.6 million (2021: Nil) on the hybrid instrument.

25 Material non-controlling interests

The summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before inter-group eliminations.

Summarised statement of financial position:

	NMDC AED'000	**PHH AED'000**	**Aldar AED'000**
31 December 2022			
Non-current assets	5,109,738	8,165,280	32,319,717
Current assets	11,123,009	17,111,039	33,959,337
Non-current liabilities	(2,161,157)	(3,412,333)	(11,967,341)
Current liabilities	(7,344,530)	(10,576,009)	(14,763,859)
Total equity	6,727,060	11,287,977	39,547,854
Less: non-controlling interests	(3,080)	(3,837)	(4,380,219)
Hybrid equity instruments	-	-	(1,815,646)
Equity attributable to the owners	6,723,980	11,284,140	33,351,989
Attributable to:			
Equity holders of parent	4,604,895	4,395,283	10,550,711
Non-controlling interests	**2,119,085**	**6,888,857**	**22,801,278**

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

25 Material non-controlling interests (continued)

Summarised statement of financial position (continued):

	NMDC AED'000	PHMS AED'000	Aldar AED'000
31 December 2021			
Current assets	7,805,390	4,252,538	-
Non-current assets	5,111,899	1,393,493	-
Current liabilities	(5,373,788)	(3,362,511)	-
Non-current liabilities	(2,025,116)	(147,437)	-
Total equity	5,518,385	2,136,083	-
Less: non-controlling interests	(2,876)	-	-
Equity attributable to the owners	5,515,509	2,136,083	-
Attributable to:			
Equity holders of parent	3,591,098	1,345,732	-
Non-controlling interests	1,924,411	790,351	-

Summarised statement of profit or loss:

	NMDC AED'000	**PHH AED'000**	**Aldar AED'000**
31 December 2022			
Revenue	10,685,339	12,295,061	8,516,822
Expenses	(9,505,951)	(8,052,299)	(7,439,703)
Profit for the year	1,179,388	4,242,762	1,077,119
Attributable to non-controlling interests	**415,822**	**2,008,042**	**793,119**

	NMDC AED'000	PHMS AED'000	Aldar AED'000
31 December 2021			
Revenue	5,653,274	6,714,701	-
Expenses	(4,738,653)	(3,197,539)	-
Profit for the year	914,621	3,517,162	-
Attributable to non-controlling interests	319,170	1,640,946	-

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

25 Material non-controlling interests (continued)

Summarised statement of cash flows:

	NMDC AED'000	**PHH AED'000**	**Aldar AED'000**
31 December 2022			
Operating activities	2,682,230	4,736,408	5,730,710
Investing activities	(493,674)	958,791	(8,655,411)
Financing activities	54,990	(3,021,681)	4,712,163
Net cash inflow	**2,243,546**	**2,673,518**	**1,787,462**

	NMDC AED'000	PHMS AED'000	Aldar AED'000
31 December 2021			
Operating activities	1,429,893	5,567,549	-
Investing activities	(117,037)	226,206	-
Financing activities	(422,834)	(3,776,187)	-
Net cash inflow	890,022	2,017,568	-

26 Provision for employees' end of service benefits

	2022 AED '000	2021 AED '000
Employees' end-of-service benefits	**2,482,810**	658,645
Long term incentive scheme	**59,685**	-
At 31 December	**2,542,495**	658,645

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

26 Provision for employees' end of service benefits (continued)

Movements in provision for employee's end of service benefits are as follows:

	2022	2021
	AED '000	AED '000
At 1 January	**658,645**	120,868
Liabilities arising on acquisition of subsidiaries (Note 42)	**1,756,242**	8,683
Charge for the year	**256,167**	122,876
Actuarial loss recognised in other comprehensive income	**35,748**	-
Acquired in common control business combinations (Note 41)	**8,906**	541,799
Transfer from a related party	**551**	-
Liabilities of group related to discontinued operations (Note 38)	**(2,203)**	(5,908)
Paid during the year	**(171,561)**	(129,673)
At 31 December	**2,542,495**	658,645

During the year, the Group performed actuarial valuation on employee's end of service benefits in one of the subsidiaries. The resulting provision is recognised based on the following significant assumptions:

	2022	2021
	AED'000	AED'000
Average period of employment (years)	**10.6**	-
Average annual rate of salary increase (percentage)	**3%**	-
Average annual voluntary termination rate (percentage)	**8%**	-
Discount rate (percentage)	**5%**	-

Demographic assumptions for mortality, withdrawal and retirement were used in valuing the liabilities and benefits under the plan. Because of the nature of the benefit, which is a lump sum payable on exit due to any cause, a combined single rate has been used.

Charge for the year includes current service cost of AED 27,129 thousand (2021: AED Nil), net interest cost of AED 13,945 thousand (2021: AED Nil).

Actuarial loss recognised in consolidated statement of other comprehensive income includes the following:

	2022	2021
	AED'000	AED'000
Actuarial gain arising from experience adjustments	**11,821**	-
Actuarial gain arising from changes in financial assumptions	**23,927**	-
	35,748	-

The weighted average duration of the defined benefit obligation is 5.9 years. The mortality rates for ages 18 to 59 range between 0.56 to 16.77 deaths per thousand of population.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

26 Provision for employees' end of service benefits (continued)

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Increase AED '000	**Decrease AED '000**
31 December 2022		
Discount rate (0.5%)	**(360)**	**373**
Annual rate of salary increase (0.5%)	**(439)**	**517**
Voluntary termination rate (2%)	**3,109**	**(3,691)**
31 December 2021		
Discount rate (0.5%)	-	-
Annual rate of salary increase (0.5%)	-	-
Voluntary termination rate (2%)	-	-

27 Borrowings

Borrowings included in the consolidated statement of financial position comprise the following:

	2022 AED '000	2021 AED '000
Term loan facilities	**14,495,040**	5,204,076
Bank overdrafts (Note 19)	**20,520**	379,651
At 31 December	**14,515,560**	5,583,727

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

27 Borrowings (continued)

Movement in bank borrowing during the year is as follows:

	2022	2021
	AED '000	AED '000
At 1 January	**5,583,727**	496,785
Drawdowns during the year	**10,643,959**	922,226
Liabilities arising on acquisition of subsidiaries (Note 42)	**4,357,748**	-
Acquired in common control business combinations (Note 41)	**300,000**	6,058,549
Amortisation of transaction costs	**(9,728)**	800
Liabilities of group related to discontinued operations (Note 38)	**(3,429)**	(200,000)
Foreign exchange differences	**(113,280)**	(16,181)
Repayments during the year	**(6,243,437)**	(1,678,452)
At 31 December	**14,515,560**	5,583,727

Borrowings are classified as follows:

	2022	2021
	AED '000	AED '000
Non-current	**13,210,294**	4,277,302
Current	**1,305,266**	1,306,425
At 31 December	**14,515,560**	5,583,727

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

27 Borrowings (continued)

Details of group borrowings are as follows:

Loan type	Currency	Security	Instalments	Year of maturity	2022 AED'000	2021 AED '000	Purpose
Term loan 1	AED	Projects proceeds	Quarterly	2023	**24,000**	54,000	Project financing
Term loan 2	AED	Projects proceeds	Quarterly	2026	**442,552**	573,417	Investment purpose
Term loan 3	USD	Mortgage of property, plant and equipment	Quarterly	2027	**1,109,155**	1,373,589	Project financing
Term loan 4	AED	Unsecured	Monthly	2022	**-**	16,667	Project financing
Term loan 5	AED	Mortgage of vessels	Quarterly	2026	**217,414**	249,414	To finance purchase of hopper suction dredger
Term loan 6	USD	Mortgage of property	Annually	2025	**194,295**	234,018	To finance purchase of a hotel
Term loan 7	USD	Unsecured	Semi-annual	2028	**367,500**	367,500	To finance construction of a factory
Term loan 8	AED	Mortgage of property	Semi-annual	2028	**234,445**	274,459	To finance purchase of a hotel
Term loan 9	AED	Pledge of financial instruments having fair value of AED 4.25 billion	Bullet	2024	**1,500,000**	1,500,000	To finance purchase of shares
Term loan 10	AED	Projects proceeds	Bullet	2022	**-**	12,812	Project financing
Term loan 11	AED	Mortgage of property	Quarterly	2023	**78,613**	102,613	Construction of factory building
Term loan 12	USD	Projects proceeds	Quarterly	2022	**-**	317,496	Project financing
Term loan 13	AED	Corporate guarantee	Quarterly	2025	**30,557**	30,727	To finance the purchase of machinery and equipment
Term loan 14	USD	Mortgage of property	Quarterly	2032	**84,574**	-	Project financing
Term loan 15	AED	Secured on movable assets and shares	Quarterly	2036	**294,316**	-	Investment purpose
Term loan 16	AED	Pledge of financial instruments	Half in 3 years and rest in 5 years	2027	**2,760,000**	-	Investment purpose
Term loan 17	AED	Corporate guarantee	Revolving	2023	**1,207**	-	Working capital
Term loan 18	AED	Land plots	Revolving	2025	**419,950**	-	General corporate purposes
Term loan 19	AED	Unsecured	Revolving	2025	**295,305**	-	General corporate purposes
Term loan 20	AED	Unsecured	Revolving	2027	**(4,427)**	-	General corporate purposes
Term loan 21	AED	Unsecured	Bullet	2027	**995,250**	-	General corporate purposes
Term loan 22	AED	Commercial property	Revolving	2025	**469,167**	-	General corporate purposes
Term loan 23	AED	Unsecured	Revolving	2027	**1,173,750**	-	General corporate purposes

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

27 Borrowings (continued)

Loan type	Currency	Security	Instalments	Year of maturity	2022 AED'000	2021 AED '000	Purpose
Term loan 24	AED	Mortgage of property	Revolving	2027	**(4,306)**	-	General corporate purposes
Term loan 25	AED	Retail and commercial assets	Bullet	2026	**297,319**	-	General corporate purposes
Term loan 26	AED	Assignment of receivables and insurance	Semi-annual	2027	**94,626**	-	General corporate purposes
Term loan 27	EGP	Mortgage of property, assignment of receivables and insurance	Quarterly	2027	**81,578**	-	Project financing
Term loan 28	EGP	Mortgage of property, assignment of receivables and insurance	Quarterly	2031	**189,058**	-	Project financing
Term loan 29	EGP	Mortgage of property, assignment of receivables and insurance	Quarterly	2024	**29,814**	-	Project financing
Term loan 30	EGP	Mortgage of property, assignment of receivables and insurance	Quarterly	2027	**131,618**	-	Project financing
Term loan 31	EGP	Mortgage of property, assignment of receivables and insurance	Bullet	2028	**37,172**	-	Project financing and general corporate purposes
Term loan 32	AED	Mortgage of vessel	Quarterly	2032	**436,169**	-	To finance purchase of a vessel
Term loan 33	AED	Unsecured	Bullet	2027	**995,055**	-	General corporate purposes
Term loan 34	AED	Unsecured	Revolving	2027	**497,560**	-	General corporate purposes
Term loan 35	AED	Unsecured	Bullet	2027	**398,055**		General corporate purposes
Term loan 36	AED	Corporate guarantee	Monthly	2026	**38,324**		Project financing
Term loan 37	AED	Commercial property	Bullet	2023	**499,555**		General corporate purposes
Term loan 38	AED	Mortgage of equipment and vehicles	Various	Various	**5,924**	10,585	Vehicles finance
Term loan 39	AED	Mortgage of equipment and vehicles	Various	Various	**20,501**	9,384	Vehicles finance
Term loan 40	AED	Mortgage of property	Quarterly	2025	**59,395**	77,395	Construction of accommodation building
Bank overdrafts	AED	Partially secured against approved payment certificates and invoices	-	-	**20,520**	379,651	Working capital
					14,515,560	5,583,727	

Note: The above borrowing facilities carry interest at market rates.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

28 Non-convertible sukuk

	2022			2021
	AED '000			AED '000
	Sukuk No.1	**Sukuk No.2**	**Total**	Total
Additions due to acquisition of a subsidiary (Note 42)	1,900,622	1,831,759	**3,732,381**	-
Accrued profits	58,164	41,518	**99,682**	-
Amortisation of issue costs	3,442	1,418	**4,860**	-
Other movements	(78,432)	18,891	**(59,541)**	-
Less: Paid	(36,352)	(59,114)	**(95,466)**	-
Carrying amount	1,847,444	1,834,472	**3,681,916**	-

Sukuks are classified as follows:

	2022	2021
	AED '000	AED '000
Non-current	**3,644,812**	-
Current	**37,104**	-
	3,681,916	-

Sukuk No.1

The Group has issued a non-convertible sukuk ("Sukuk No. 1") for a total value of AED 1,836,750 thousand (USD 500,000 thousand). Sukuk No. 1 has a profit rate of 4.750% per annum payable semi-annually and is due for repayment in September 2025.

Sukuk No.2

The Group has also issued a non-convertible sukuk ("Sukuk No. 2") for a total value of AED1,836,750 thousand (USD 500,000 thousand). Sukuk No. 2 has a profit rate of 3.875% per annum payable semi-annually and is due for repayment in October 2029.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

29 Derivative financial instruments

In order to reduce the Group's exposure to interest rate fluctuations on variable interest-bearing borrowings, it has entered into interest rate swap arrangements and forward currency contracts with counter-party banks, generally for amounts matching to those particular borrowings.

Derivatives designated as hedging instruments

	Fix leg on instrument	Notional amount AED'000	Assets AED'000	Liabilities AED'000
31 December 2022				
- Foreign exchange forward contracts	**-**	**644,445**	**-**	**(47,236)**
- Interest rate swaps	**0.80 - 2.82%**	**1,839,953**	**248,792**	**-**
			248,792	**(47,236)**
31 December 2021				
- Foreign exchange forward contracts	-	265,971	-	(5,351)
- Interest rate swaps	0.80%	686,758	6,403	(288)
			6,403	(5,639)

Derivatives not designated as hedging instruments

	Fix leg on instrument	Notional amount AED'000	Assets AED'000	Liabilities AED'000
31 December 2022				
- Foreign exchange forward contracts	**-**	**-**	**-**	**-**
- Interest rate swaps	**4.27%**	**470,314**	**-**	**(2,935)**
			-	**(2,935)**
31 December 2021				
- Foreign exchange forward contracts	-	-	-	-
- Interest rate swaps	4.27%	553,605	-	(39,925)
			-	(39,925)

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

29 Derivative financial instruments (continued)

Derivative financial instruments are classified as follows:

	2022 **AED '000**	2021 AED '000
Non-current liabilities	**-**	19,559
Non-current assets (Note 15)	**(207,045)**	-
Current liabilities (Note 31)	**50,171**	26,005
Current assets (Note 15)	**(41,747)**	(6,403)
At 31 December	**(198,621)**	39,161

30 Contract liabilities

	2022 **AED '000**	2021 AED '000
Amounts related to construction contracts	**2,901,142**	351,538
Amounts related to insurance contracts	**2,500,381**	-
Amounts received in advances from customers	**4,538,544**	1,282,780
At 31 December	**9,940,067**	1,634,318

The gross and net insurance liabilities certified by the Group's external actuary, are as follows:

	2022 **AED '000**	2021 AED '000
Claims incurred but not reported and claims reported but not approved	**1,019,789**	-
Unearned premiums	**1,468,861**	-
Unallocated loss adjustment expense reserve	**11,731**	-
At 31 December	**2,500,381**	-

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

30 Contract liabilities (continued)

Reinsurance contract assets are as follows:

	2022 **AED '000**	2021 AED '000
Reinsurance share of claims incurred but not reported and claims reported but not approved	**(178,831)**	-
Reinsurance share of unearned premiums	**(207,497)**	-
Reinsurance share of profit commission	**(7,799)**	-
At 31 December	**(394,127)**	-

Insurance contract liabilities - net are as follows:

	2022 **AED '000**	2021 AED '000
Claims incurred but not reported and claims reported but not approved (net)	**840,958**	-
Unearned premiums (net)	**1,261,364**	-
Unallocated loss adjustment expense reserve (net)	**11,731**	-
At 31 December	**2,114,053**	-

The gross and net insurance liabilities certified by the Group's external actuary, are as follows:

	Gross **AED'000**	**Net** **AED'000**
31 December 2022		
Claims incurred but not reported and claims reported but not approved	**1,019,789**	**840,958**
Unearned premiums	**1,468,861**	**1,261,364**
Unallocated loss adjustment expense reserve	**11,731**	**11,731**
	2,500,381	**2,114,053**

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

30 Contract liabilities (continued)

Movement in the insurance contract liabilities (gross and net) during the year were as follows:

	Claims (including ULAE)		
	Gross AED'000	**Reinsurance AED'000**	**Net AED'000**
31 December 2022			
Claims incurred but not reported and claims reported but not approved including ULAE at the date of acquisition	970,890	(178,305)	**792,585**
Claims incurred during the period	1,343,785	(188,821)	**1,154,964**
Claims settled during the period	(1,283,155)	188,295	**(1,094,860)**
	1,031,520	(178,831)	**852,689**

	Premiums		
	Gross AED'000	**Reinsurance AED'000**	**Net AED'000**
31 December 2022			
Unearned premium reserve at the date of acquisition	1,801,675	(283,061)	**1,518,614**
Written during the period	826,456	(117,827)	**708,629**
Earned during the period	(1,159,270)	193,391	**(965,879)**
	1,468,861	(207,497)	**1,261,364**

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

31 Trade and other payables

	2022 **AED '000**	2021 AED '000
Accruals and other payables	**14,819,787**	4,131,950
Trade payables	**3,730,956**	3,826,821
Retention payables	**2,382,564**	441,328
Project related accruals and provisions	**1,872,569**	1,178,177
Government funded programs payables	**1,870,022**	-
Insurance and reinsurance payables	**698,104**	-
Finance charge payable	**207,284**	57,395
Dividend payables	**109,534**	292,268
Derivative financial instruments (Note 29)	**50,171**	45,564
Deferred government grant	**42,143**	-
	25,783,134	9,973,503

Trade and other payables are classified as follows:

	2022 **AED '000**	2021 AED '000
Non-current	**1,698,307**	58,552
Current	**24,084,827**	9,914,951
	25,783,134	9,973,503

The average credit period on purchases ranges between 30 to 90 days. The Group has financial risk management policies in place to ensure that payables are paid within agreed timeframes. Generally, no interest is charged on trade and other payables.

Movement in provision for project delays and onerous contracts is as follows:

	2022 **AED '000**	2021 AED '000
At 1 January	**333,745**	201,285
Charge for the year	**68,061**	81,831
Acquired in common control business combinations	**-**	50,629
At 31 December	**401,806**	333,745

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

32 Revenue

	2022 **AED '000**	2021 AED '000
Revenue by activity:		
Medical and related services	**10,919,361**	6,714,701
Commercial and industrial services	**10,685,339**	5,652,967
Construction contracts	**6,150,981**	4,550,442
Real estate development and sales	**6,123,163**	-
Management and related services	**2,770,941**	1,179,020
Insurance and related services	**1,050,133**	-
Sale of goods and others	**2,350,071**	572,070
	40,049,989	18,669,200
Timing of revenue recognition:		
Revenue at a point in time	**15,676,684**	7,069,595
Revenue over time	**24,373,305**	11,599,605
	40,049,989	18,669,200
Geographical markets:		
UAE	**34,817,299**	15,802,868
Outside the UAE	**5,232,690**	2,866,332
	40,049,989	18,669,200

The transaction price allocated to (partially) unsatisfied performance obligations are as set out below:

	2022 **AED '000**	2021 AED '000
Unsatisfied performance obligations		
Commercial and industrial services	**30,739,982**	19,177,323
Medical and related services	**17,901,000**	7,097,957
Real estate development and sales	**17,159,549**	-
Construction contracts	**12,653,766**	19,278,000
Management and related services	**6,271,053**	7,501,192
	84,725,350	53,054,472

The Group expects that 38% (2021: 27%) of the transaction price allocated to unsatisfied contracts at 31 December 2022 will be recognised as revenue during 2023, amounting AED 32,144 million (2021: AED 14,389 million). AED 23,347 million (2021: AED 10,026 million) will be recognised in the year 2024 with AED 29,234 million (2021: AED 28,638 million) in future years.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

33 Direct costs

	2022 AED '000	2021 AED '000
Subcontractor costs	**7,788,418**	3,213,254
Material and inventory consumed	**6,856,608**	3,531,571
Staff costs	**5,191,332**	2,204,565
Other project costs	**1,901,247**	1,454,469
Depreciation and amortisation (Notes 5, 6, 8 and 9)	**1,383,985**	571,412
Hospital management expenses	**1,245,993**	1,084,821
Insurance claims incurred	**1,014,506**	-
Other direct costs	**4,930,191**	987,785
	30,312,280	13,047,877

34 General, administrative and selling expenses

	2022 AED '000	2021 AED '000
Staff costs	**1,867,342**	367,305
Depreciation and amortisation (Note 5, 6, 8 and 9)	**625,948**	69,465
Management fees	**196,504**	289,338
Utilities	**94,879**	29,919
Maintenance	**44,671**	19,992
Allowance for stock obsolescence (Note 16)	**6,168**	2,902
Other expenses	**2,008,863**	207,557
	4,844,375	986,478

Other general, administrative and selling expenses include social contributions amounting to AED 29,665 thousand (2021: AED 7,408 thousand).

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

35 Other income

	2022 AED '000	2021 AED '000
Dividend income	**324,775**	146,096
Gain on disposal of property, plant and equipment	**272,018**	1,531
Profit for the year from discontinued operations (Note 38)	**171,042**	4,429
Fair value gain on re-measurement of an investment in associate	**116,432**	-
Recovery of doubtful receivables	**68,225**	518,685
Others	**187,377**	351,820
	1,139,869	1,022,561

36 Income from government grants

Income related Government grant comprises of funding from Government of Abu Dhabi for AED 1.42 billion (2021: Nil)

37 Finance costs, net

	2022 AED '000	2021 AED '000
Finance costs		
Interest on borrowings	**522,626**	92,655
Interest on lease liabilities (Note 9)	**61,172**	15,704
	583,798	108,359
Finance income		
Bank deposits	**165,863**	15,172
Other financial assets measured at amortised cost	**70,690**	8,105
	236,553	23,277
Net finance costs	**347,245**	85,082

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

38 Discontinued operations

Operations discontinued during the year

During the year, the Group has decided to dispose Pure Capital Investments LLC and certain other subsidiaries and accordingly classified them as a discontinued operations.

The carrying value of the assets and liabilities of discontinued operations are as follows:

	Notes	Total AED '000
Assets		
Property, plant and equipment	**5**	**3,094**
Right-of-use assets	**9**	**1,070**
Inventories		**523**
Trade and other receivables		**174,746**
Due from related parties		**7,035**
Cash and bank balances		**11,537**
Total assets		**198,005**
Liabilities		
Bank borrowings	**27**	**3,429**
Lease liabilities	**9**	**1,133**
Provision for employees' end of service benefits	**26**	**2,203**
Due to related parties		**101,416**
Trade and other payables		**97,605**
Total liabilities		**205,786**
Net liabilities directly associated with disposal group		**(7,781)**
Less: net liabilities attributable to non-controlling interests	**A**	**2,340**
Net liabilities attributable to owners of the Company		**(5,441)**
Less: consideration received		**117,600**
Gain on disposal	**B**	**123,041**

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

38 Discontinued operations (continued)

Operations discontinued during the prior year

In 2021, the Group decided to sell its interests in Aafaq, a partially owned subsidiary, resulting in its classification as a disposal group held-for-sale and as a discontinued operation. The disposal was completed with effect from 1 July 2022, on which date control of Aafaq passed to the acquirer, on which date its net assets were:

	2022	2021
	AED '000	AED '000
Assets		
Property, plant and equipment	**29,846**	-
Right-of-use assets	**2,574**	-
Investment properties	**216,604**	217,192
Investment in financial assets	**904,957**	916,429
Islamic financing assets	**1,599,843**	1,617,919
Trade and other receivables	**29,087**	32,092
Due from related parties	**65,983**	65,874
Cash and bank balances	**179,341**	289,102
Total assets	**3,028,235**	3,138,608
Liabilities		
Bank borrowings	**200,000**	200,000
Margins against letter of guarantees	**827,471**	901,440
Lease liabilities	**984**	1,991
Provision for employees' end of service benefits	**5,946**	5,908
Due to related parties	**-**	3,278
Trade and other payables	**999,139**	1,075,710
Total liabilities	**2,033,540**	2,188,327
Net assets directly associated with disposed group	**994,695**	950,281

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

38 Discontinued operations (continued)

		2022 AED '000
Net assets directly associated with disposed group		**994,695**
Less: net assets attributable to non-controlling interests	**C**	**(218,773)**
Net assets attributable to owners of the Group	**D**	**775,922**
Less: Purchase consideration	**E**	**(760,330)**
Net gain on disposal	**F = B - D - E**	**107,449**
Movement in non-controlling interests on disposal of subsidiaries	**G = C - A**	**216,433**

The results of the discontinued operations, which have been included in the consolidated statement of profit or loss for the current and prior year, were as follows:

	2022 AED '000	2021 AED '000
Revenue	**285,516**	384,222
Expenses	**(221,923)**	(379,793)
Profit from operations	**63,593**	4,429
Net gain on disposal	**107,449**	-
Gain from discontinued operations	**171,042**	4,429

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

39 Earnings per share

The following reflects the profit and share data used in to calculate both basic and diluted earnings per share, as these are no outstanding dilutive instruments:

	2022	2021
Profit for the year attributable to equity holders of the Company – AED '000	**7,341,651**	3,181,752
Less: distributions to the Noteholder (Note 24)	**(51,645)**	-
	7,290,006	3,181,752
Weighted average number of ordinary shares issued ('000)	**10,000,000**	7,135,106
Basic and diluted earnings per share (AED)	**0.73**	0.45

40 Contingent liabilities and commitments

	2022 **AED '000**	2021 AED '000
Letter of guarantees	**18,650,662**	12,077,243
Letters of credit	**1,047,577**	722,803
Capital commitments	**36,624,017**	2,243,330
Purchase commitments	**4,537,861**	1,678,572
Operating lease commitments	**6,823,781**	48,920

The above bank guarantees, and letters of credit are issued in the normal course of business.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

40 Contingent liabilities and commitments (continued)

Operating lease commitments

The Group as lessor

The Group has entered into operating leases on its investment property portfolio and have terms of between 1 and 5 years. The lessees do not have an option to purchase the property at the expiry of the lease period.

The future minimum rentals receivable under non-cancellable operating leases contracted as at 31 December are as follows:

	2022	2021
	AED '000	AED '000
Buildings:		
Within one year	**1,384,743**	32,809
In the second to fifth year	**3,403,562**	16,111
After five years	**2,035,476**	-
	6,823,781	48,920

41 Business combinations under common control

During 2022, the ownership interest of the following entities, along with their subsidiaries (if any), was transferred to the Group. Each of the transfers was accounted for as a business combination under common control:

Transfers during the year

Name of subsidiary	**Date of transfer**	**Proportion of effective equity acquired %**	**Principal activity**
W Solar Investment LLC ('W Solar')	1 January 2022	75%	Solar energy business
Yas Clinic Group Sole Proprietorship LLC ('Yas Clinic')	1 January 2022	71%	Hospital management services
Abu Dhabi Stem Cells Center – Sole Proprietor LLC ('ADSCC')	1 January 2022	71%	Healthcare provider
Tamouh Healthcare LLC ('Tamouh')	1 January 2022	71%	Healthcare provider
Enigma Commercial Investment - Sole Proprietorship L.L.C.	5 May 2022	100%	Investment holding

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

41 Business combinations under common control (continued)

Transfers during the year (continued)

Details of the assets and liabilities recognised at the date of transfer of ownership are as follows:

	Notes	W Solar AED '000	Yas Clinic AED '000	ADSCC AED '000	Tamouh AED '000	Total AED '000
Non-current assets						
Property, plant and equipment	**5**	-	380,985	60,306	468	441,759
Intangible assets	**6**	-	5,749	874	-	6,623
Right-of-use assets	**9**	-	17,889	1,437	-	19,326
		-	404,623	62,617	468	467,708
Current assets						
Inventories		-	7,433	1,280	-	8,713
Contract assets		-	-	-	6,209	6,209
Trade and other receivables		121	955,119	82,794	641,576	1,679,610
Due from related parties		300	54,623	-	29,257	84,180
Cash and bank balances		914	20,804	5,079	89,821	116,618
		1,335	1,037,979	89,153	766,863	1,895,330
Total assets		1,335	1,442,602	151,770	767,331	2,363,038
Non-current liabilities						
Lease liabilities	**9**	-	15,723	687	-	16,410
Provision for employees' end of service benefits	**26**	-	828	693	7,385	8,906
Bank borrowings	**27**	-	295,408	-	-	295,408
		-	311,959	1,380	7,385	320,724
Current liabilities						
Lease liabilities	**9**	-	3,177	750	-	3,927
Due to related parties		1,764	-	-	266,813	268,577
Bank borrowings	**27**	-	4,592	-	-	4,592
Trade and accounts payables		4	424,164	43,840	180,145	648,153
		1,768	431,933	44,590	446,958	925,249
Total liabilities		1,768	743,892	45,970	454,343	1,245,973
Net (liabilities) / assets at the date of transfer		(433)	698,710	105,800	312,988	1,117,065

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

41 Business combinations under common control (continued)

Transfers during the year (continued)

	Notes	W Solar AED '000	Yas Clinic AED '000	ADSCC AED '000	Tamouh AED '000	Total AED '000
Net (liabilities) / assets at the date of transfer		(433)	698,710	105,800	312,988	1,117,065
Less: net assets attributable to non-controlling interests		-	-	-	(70,360)	(70,360)
Net (liabilities) / assets attributable to owners of the Group		(433)	698,710	105,800	242,628	1,046,705

The assets as on the date of transfer under common control were allocated as follows:

	2022 AED '000
Merger reserve (Note 22)	**741,360**
Non-controlling interests	**305,345**
	1,046,705

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

41 Business combinations under common control (continued)

Transfers during the prior year (2021)

Name of subsidiary	Date of transfer	Proportion of equity acquired %	Principal activity
Mawarid Holding Investment LLC ('Mawarid')	1 April 2021	70%	Investment holding
Murban Energy Limited ('Murban')	1 April 2021	100%	Investment holding
Sublime Commercial Investment – Sole Proprietorship LLC ('Sublime')	1 April 2021	100%	Investment holding
Pure Health Medical Supplies LLC ('PHMS')	1 April 2021 and 1 July 2021	63%	Health care technology and management services
Sogno Commercial Investment – Sole Proprietorship LLC ('SOGNO')	1 June 2021	100%	Investment holding
W A S TWO Commercial Investment – Sole Proprietorship LLC ('WAS Two')	1 June 2021	100%	Investment holding
Emirates Gateway Securities Services LLC ('EGSS')	1 July 2021	95%	Security services
C D Properties - Sole Proprietorship LLC ('CD Properties')	1 July 2021	100%	Investment holding
Branch of Trojan General Contacting LLC	1 July 2021	100%	Hotels and other short term residences
Sogno Two Sole Proprietorship LLC ('SOGNO Two')	31 December 2022	100%	Investment holding
Sogno Three Sole Proprietorship LLC ('SOGNO Three')	31 December 2022	100%	Investment holding
Sublime Two Investment Sole Proprietorship LLC ('Sublime Two')	31 December 2022	100%	Investment holding

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

41 Business combinations under common control (continued)

Details of the assets and liabilities recognised at the date of transfer of ownership are as follows:

		Mawarid	Murban	SOGNO and WAS Two	Sublime	PHMS	EGSS	SOGNO Two	SOGNO Three	Sublime Two	Others *	Total
		AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000
Assets acquired and liabilities assumed at the date of the acquisition												
Non-current assets	Notes											
Property, plant and equipment	5	163,119	1,157,256	4,492,980	-	89,213	183	-	-	-	1,450	**5,904,201**
Intangible assets	6	3,309	-	146,300	-	10,941	-	-	-	-	367	**160,917**
Goodwill	7	-	451,672	-	-	-	-	-	-	-	-	**451,672**
Biological assets		19,848	-	-	-	-	-	-	-	-	-	**19,848**
Investment properties	8	219,185	333,896	-	-	-	-	-	-	-	-	**553,081**
Right-of-use assets	9	26,340	58,494	317,346	-	15,944	-	-	-	-	1,140	**419,264**
Investment in associates and joint ventures	10	-	387,574	50,194	-	-	-	-	-	1,668,624	-	**2,106,392**
Islamic financing assets		1,070,975	-	-	-	-	-	-	-	-	-	**1,070,975**
Investment in financial assets	12	977,917	-	-	3,688,350	-	63	2,589,854	2,494,922	247,053	-	**9,998,159**
Contract assets		-	-	-	-	254,262	-	-	-	-	-	**254,262**
Trade and other receivables		66,671	8,182	39,964	-	-	-	-	-	-	-	**114,817**
Current assets												
Inventories		51,607	15,364	320,589	-	85,144	2,497	-	-	-	13,162	**488,363**
Trade and other receivables		572,274	144,011	3,200,220	-	1,967,588	156,681	-	-	-	23,202	**6,063,976**
Contract assets		77,070	-	4,106,004	-	27,085	-	-	-	-	-	**4,210,159**
Due from related parties		41,951	1,203,417	-	-	72,769	-	-	-	-	19,226	**1,337,363**
Cash and bank balances		736,166	604,059	671,119	5,081	112,566	24,802	-	-	371,776	5,934	**2,531,503**
Investment in financial assets	12	-	429,227	30,853	-		-	-	-	-	-	**460,080**
Total assets		**4,026,432**	**4,793,152**	**13,375,569**	**3,693,431**	**2,635,512**	**184,226**	**2,589,854**	**2,494,922**	**2,287,453**	**64,481**	**36,145,032**

* Others include C D Properties – Sole Proprietorship LLC and Chechnya Hotel.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

41 Business combinations under common control (continued)

	Notes	Mawarid AED '000	Murban AED '000	SOGNO and WAS Two AED '000	Sublime AED '000	PHMS AED '000	EGSS AED '000	SOGNO Two AED '000	SOGNO Three AED '000	Sublime Two AED '000	Others * AED '000	Total AED '000
Non-current liabilities												
Provision for employees' end of service benefits	26	69,890	8,406	438,176	-	5,326	19,940	-	-	-	61	**541,799**
Lease liabilities	9	23,479	40,172	307,669	-	9,502	-	-	-	-	149	**380,971**
Borrowings	27	597,610	798,827	1,556,876	1,500,000	62,940	-	-	-	-	-	**4,516,253**
Trade and accounts payables		61,461	18,374	-	-	82,833	-	-	-	-	-	**162,668**
Current liabilities												
Lease liabilities	9	1,935	7,138	8,403	-	4,385	-	-	-	-	977	**22,838**
Borrowings	27	113,634	130,274	1,271,117	-	27,271	-	-	-	-	-	**1,542,296**
Due to related parties		8,605	186,687	-	34,892	1,264,774	36,267	-	-	-	-	**1,531,225**
Trade and other payables		2,261,185	43,269	4,730,781	-	345,531	28,325	-	-	-	2,290	**7,411,381**
Total liabilities		3,137,799	1,233,147	8,313,022	1,534,892	1,802,562	84,532	-	-	-	3,477	16,109,431
Net assets at the date of transfer		888,633	3,560,005	5,062,547	2,158,539	832,950	99,694	2,589,854	2,494,922	2,287,453	61,004	20,035,601
Less: net liabilities attributable to non-controlling interests		(209,701)	-	(2,824)	-	-	-	-	-	-	-	(212,525)
Net assets attributable to owners of the Group		678,932	3,560,005	5,059,723	2,158,539	832,950	99,694	2,589,854	2,494,922	2,287,453	61,004	19,823,076

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

41 Business combinations under common control (continued)

The assets as on the date of transfer under common control were allocated as follows:

	2021 AED '000
Merger reserve (Note 22)	**17,183,306**
Non-controlling interests	**2,639,770**
	19,823,076

42 Business combination under IFRS 3

GenQore Drug store LLC ("GenQore")

Effective 1 February 2022, the Group acquired a 90% equity interest in GenQore, for a consideration of AED 1 which was accounted for using the acquisition method under IFRS 3. From the date of acquisition, GenQore contributed revenue and loss to the Group amounting to AED 24,025 thousand and AED 1,077 thousand respectively. If the acquisition had taken place at the beginning of the year, GenQore would have contributed revenue and loss to the Group amounting to AED 29,134 thousand and AED 1,068 thousand respectively.

Aldar Properties PJSC ("Aldar")

Effective 11 April 2022, the Group acquired another 2% ownership interest in Aldar. As a result, the Group was able to appoint four out of the seven board members at the annual general meeting held on 11 April 2022, giving the Group control over Aldar. Accordingly, this has been treated as a step acquisition under IFRS 3 and the investment in Aldar has been de-recognised as an investment in an associate and has instead been consolidated as a subsidiary under IFRS 10. As at 31 December 2022, the Group holds 31.63% of Aldar.

Aldar is a company registered and incorporated in the Emirate of Abu Dhabi and is engaged in various businesses primarily the development, sales, investment, construction, leasing, management and associated services for real estate. From the date of acquisition, Aldar contributed revenue and profit to the Group amounting to AED 8,516,822 thousand and AED 2,455,923 thousand respectively. If the acquisition had taken place at the beginning of the year, Aldar would have contributed revenue and profit to the Group amounting to AED 11,200,027 thousand and AED 3,143,733 thousand respectively.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

42 Business combination under IFRS 3 (continued)

Al Shohub Private School LLC ("Al Shohub")

On 20 January 2022, the Group agreed to purchase Al Shohub, a limited liability company registered in Abu Dhabi, United Arab Emirates for a total consideration of AED 72 million. On 1 June 2022, the transaction was completed and is therefore the date on which the Group acquired control over Al Shohub. From the date of acquisition, Al Shohub contributed revenue and loss to the Group amounting to AED 13,738 thousand and AED 1,445 thousand respectively. If the acquisition had taken place at the beginning of the year, Al Shohub would have contributed revenue and loss to the Group amounting to AED 22,794 thousand and AED 5,373 thousand respectively.

Twafq Projects Development Property LLC ("Twafq")

On 18 April 2022, the Group signed an agreement for the acquisition of 70% of Twafq for a consideration of AED 331 million. Twafq is incorporated in Abu Dhabi, UAE and is involved in the development, investment, and management of industrial real estate. From the date of acquisition, Twafq contributed revenue and profit to the Group amounting to AED 47,638 thousand and AED 51,813 thousand respectively. If the acquisition had taken place at the beginning of the year, Twafq would have contributed revenue and profit to the Group amounting to AED 62,700 thousand and AED 56,994 thousand respectively.

Spark Security Services ("Spark")

Effective 1 September 2022, the Group acquired 100% shares of Spark Securities Services Sole Proprietorship LLC, Abu Dhabi and Spark Securities Services LLC, Dubai (together referred to as "Spark") for a consideration of AED 120 million. From the date of acquisition, Spark contributed revenue and profit to the Group amounting to AED 95,555 thousand and AED 5,855 thousand respectively. If the acquisition had taken place at the beginning of the year, Spark would have contributed revenue and profit to the Group amounting to AED 268,192 thousand and AED 11,308 thousand respectively.

Mace Macro Technical Services LLC ("Mace")

Effective 1 August 2022, the Group acquired 100% shares of Mace for a consideration of AED 4.4 million. From the date of acquisition, Mace contributed revenue and profit to the Group amounting to AED 5,231 thousand and AED 523 thousand respectively. If the acquisition had taken place at the beginning of the year, Mace would have contributed revenue and profit to the Group amounting to AED 13,978 thousand and AED 1,669 thousand respectively.

Pactive Sustainable Solutions LLC ("Pactive")

Effective 1 August 2022, the Group acquired 100% shares of Pactive for a consideration of AED 10 million. From the date of acquisition, Pactive contributed revenue and profit to the Group amounting to AED 6,257 thousand and AED 832 thousand respectively. If the acquisition had taken place at the beginning of the year, Pactive would have contributed revenue and profit to the Group amounting to AED 9,023 thousand and AED 1,236 thousand respectively.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

42 Business combination under IFRS 3 (continued)

National Health Insurance Company PJSC ("Daman")

Effective 1 October 2022, the Group acquired 39% shares of Daman. From the date of acquisition, Daman contributed revenue and profit to the Group amounting to AED 1,153,060 thousand and AED 83,609 thousand respectively. If the acquisition had taken place at the beginning of the year, Daman would have contributed revenue and profit to the Group amounting to AED 4,401,021 thousand and AED 303,237 thousand respectively.

Abu Dhabi Health Services Company PJSC ("SEHA")

Effective 1 October 2022, the Group acquired 39% shares of SEHA. From the date of acquisition, SEHA contributed revenue and profit to the Group amounting to AED 2,092,512 thousand and AED 547,984 thousand respectively. If the acquisition had taken place at the beginning of the year, SEHA would have contributed revenue and profit to the Group amounting to AED 7,278,000 thousand and AED 902,854 thousand respectively.

The Life Corner LLC ("TLC")

Effective 1 October 2022, the Group acquired 39% shares of TLC. From the date of acquisition, TLC contributed revenue and profit to the Group amounting to AED 82,318 thousand and AED 42,193 thousand respectively. If the acquisition had taken place at the beginning of the year, TLC would have contributed revenue and profit to the Group amounting to AED 82,318 thousand and AED 27,191 thousand respectively.

SAGA OA DMCC ("SAGA")

On 19 October 2022, the Group acquired 100% of SAGA International Owners Association Management Services LLC and SAGA OA DMCC ("SAGA"), for a consideration of AED 37 million. From the date of acquisition, SAGA contributed revenue and profit to the Group amounting to AED 2,305 thousand and AED 599 thousand respectively. If the acquisition had taken place at the beginning of the year, SAGA would have contributed revenue and profit to the Group amounting to AED 12,787 thousand and AED 6,435 thousand respectively.

42 Business combination under IFRS 3 (continued)

Identifiable assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of the entities were as follows:

	Notes	Aldar AED'000	Al Shohub AED'000	Twafq AED'000	Spark AED'000	Daman* AED'000	SEHA* AED'000	Others* AED'000	Total AED'000
Non-current assets									
Property, plant and equipment	**5**	4,026,985	71,694	2,447	12,756	9,105	1,232,994	3,940	**5,359,921**
Intangible assets	**6**	2,293,068	1,483	-	27,948	445,115	2,756,355	42,514	**5,566,483**
Investment properties	**8**	18,034,787	-	584,495	-	3,445	-	-	**18,622,727**
Right-of-use-assets	**9**	379,596	2,360	113,034	-	69,501	9,643	-	**574,134**
Investment in associates and joint ventures	**10**	70,021	-	-	-	45,549	-	-	**115,570**
Investment in financial assets	**12**	45,972	-	-	-	208,691	-	-	**254,663**
Trade and other receivables		553,031	-	-	-	3,448	-	-	**556,479**
		25,403,460	75,537	699,976	40,704	784,854	3,998,992	46,454	**31,049,977**
Current assets									
Investment in financial assets	**12**	142,801	-	-	-	343,699	-	-	**486,500**
Contract assets		221,056	-	-	-	461,366	397,739	-	**618,795**
Trade and other receivables		7,549,106	2,158	5,404	98,945	4,716,066	2,385,867	18,623	**15,237,535**
Inventories		10,226,250	-	-	485	-	556,647	-	**10,783,382**
Development work-in-progress	**17**	3,673,726	-	-	-	-	-	-	**3,673,726**
Due from a related party		-	-	-	181	-	-	-	**181**
Cash and bank balances		9,060,667	1,821	31,945	17,072	2,656,192	630,780	26,825	**12,425,302**
		30,873,606	3,979	37,349	116,683	8,177,323	3,971,033	45,448	**43,225,421**
Total assets		56,277,066	79,516	737,325	157,387	8,962,177	7,970,025	91,902	**74,275,398**

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

42 Business combination under IFRS 3 (continued)

Identifiable assets acquired and liabilities assumed (continued)

	Notes	Aldar	Al Shohub	Twafq	Spark	Daman*	SEHA*	Others*	Total
		AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Non-current liabilities									
Lease liabilities	**9**	325,520	2,370	128,714	965	34,073	7,813	-	**499,455**
Provision for employees' end of service benefits	**26**	241,812	1,246	1,411	36,977	64,454	1,408,725	1,617	**1,756,242**
Bank borrowings	**27**	4,218,570	-	86,137	-	-	-	-	**4,304,707**
Non-convertible sukuk		3,698,959	-	-	-	-	-	-	**3,698,959**
Trade and other payables		1,914,385	-	-	-	-	-	-	**1,914,385**
		10,399,246	3,616	216,262	37,942	98,527	1,416,538	1,617	**12,173,748**
Current liabilities									
Lease liabilities	**9**	46,133	187	4,724	461	35,336	5,307	-	**92,148**
Due to related parties		-	-	-	232	-	-	81	**313**
Bank borrowings	**27**	36,823	-	16,218	-	-	-	-	**53,041**
Non-convertible sukuk		33,422	-	-	-	-	-	-	**33,422**
Trade and other payables		7,840,957	12,624	9,536	36,391	3,861,207	2,233,620	36,869	**16,940,282**
Contract liabilities		2,313,004	-	8,576	-	2,909,078	-	-	**2,321,580**
		10,270,339	12,811	39,054	37,084	6,805,621	2,238,927	36,950	**19,440,786**
Total liabilities		20,669,585	16,427	255,316	75,026	6,904,148	3,655,465	38,567	**31,614,534**
Net assets acquired		35,607,481	63,089	482,009	82,361	2,058,029	4,314,560	53,335	**42,660,864**
Less: non-controlling interests		(641,298)	-	(141,871)	-	-	-	29	**(783,140)**
hybrid equity instruments	**24**	(1,126,639)	-	-	-	-	-	-	**(1,126,639)**
Proportionate share of identifiable net assets acquired		33,839,544	63,089	340,138	82,361	2,058,029	4,314,560	53,364	**40,751,085**

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

42 Business combination under IFRS 3 (continued)

Identifiable assets acquired and liabilities assumed (continued)

	Notes	Aldar	Al Shohub	Twafq	Spark	Daman*	SEHA*	Others*	Total
		AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Proportionate share of identifiable net assets acquired		33,839,544	63,089	340,138	82,361	2,058,029	4,314,560	53,364	**40,751,085**
Less: additional non-controlling interests at group level		(23,151,473)	-	-	-	-	-	-	**(23,151,473)**
Purchase consideration		(12,865,365)	(72,210)	(331,034)	(120,019)	-	-	(51,365)	**(13,439,993)**
Contribution of a shareholder	**A**	-	-	-	-	(1,651,389)	(4,576,033)	(8,925)	**(6,236,347)**
Settlement of a pre-existing relationship	**43**	-	-	-	-	-	(1,080,633)	-	**(1,080,633)**
Goodwill	**7**	2,177,294	9,121	-	37,658	-	1,342,106	7,554	**3,573,733**
Gain on bargain purchase		-	-	9,104	-	406,640	-	628	**416,372**

Non-controlling interests on the date of transfer under business combinations are allocated as:

	2022 AED '000
Non-controlling interests on acquisition	**783,140**
Additional non-controlling interests at Group level	**23,151,473**
	23,934,613

* The net assets recognised are based on a provisional assessment of their fair values as at the acquisition date. The Group will finalise the purchase price allocation exercises of these acquisitions within one year from the respective acquisition dates.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

42 Business combination under IFRS 3 (continued)

Identifiable assets acquired and liabilities assumed (continued)

	Notes	Aldar	Al Shohub	Twafq	Spark	Daman	SEHA	Others	Total
		AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Net cash acquired on business combination		9,060,667	1,821	31,945	17,072	2,656,192	630,780	26,825	**12,425,302**
Cash paid for the acquisition		-	(65,084)	(331,034)	(104,132)	-	-	(42,395)	**(542,645)**
Acquisition of operating business – net of cash acquired (included in cashflows from investing activities)		9,060,667	(63,263)	(299,089)	(87,060)	2,656,192	630,780	(15,570)	**11,882,657**
Transaction costs of the acquisition (included in cashflows from operating activities)		(521)	(845)	(88)	(2,459)	(335)	(537)	(1,447)	**(6,232)**
Net cash acquired on acquisition		9,060,146	(64,108)	(299,177)	(89,519)	2,655,857	630,243	(17,017)	**11,876,425**

Note: Transaction costs were expensed during the year and are included into Note 34.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

42 Business combination under IFRS 3 (continued)

Identifiable assets acquired and liabilities assumed (continued)

		2022 AED '000
Increase in net assets acquired on completion of purchase price allocation (PPA)	**B**	**29,281**
Contribution in kind from a shareholder	**A + B**	**6,265,628**

Net assets as on the date of acquisition of subsidiaries is allocated as:

	2021 AED'000
Merger reserve (Note 22)	2,440,523
Non-controlling interests	3,825,105
	6,265,628

Acquisition during the prior year

On 1 October 2021, the Group acquired the following subsidiaries which were accounted for using the acquisition method under IFRS 3 *Business Combinations*.

Acquisition of Rafed Healthcare Supplies LLC ("Rafed").

Effective 1 October 2021, the Group acquired a 100% equity interest in Rafed, for a consideration of AED 4,539 thousand. Rafed is a limited liability company, registered and incorporated in the Emirate of Abu Dhabi and is engaged in wholesale trading of medical related items and medical goods storage. From the date of acquisition, Rafed contributed revenue and profit to the Group amounting to AED 584,821 thousand and AED 49,459 thousand respectively. If the acquisition had taken place at the beginning of the year, Rafed would have contributed revenue and profit to the Group amounting to AED 2,790,589 thousand and AED 147,418 thousand respectively.

Acquisition of Union 71 Medical Facilities Management LLC ("Union 71")

Effective 1 October 2021, the Group acquired a 100% equity interest in Union 71 for a consideration of AED 18,151 thousand. Union 71 is a limited liability company, registered and incorporated in the Emirate of Abu Dhabi and is engaged in the management of medical facilities.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

42 Business combination under IFRS 3 (continued)

Acquisition of Union 71 Medical Facilities Management LLC ("Union 71") (continued)

From the date of acquisition, Union 71 contributed revenue and profit to the Group amounting to AED 170,094 thousand and AED 19,008 thousand respectively. If the acquisition had taken place at the beginning of the year, Union 71 would have contributed revenue and profit to the Group amounting to AED 652,471 thousand and AED 123,763 thousand respectively.

The fair values of the identifiable assets and liabilities of Rafed and Union 71 as at the date of acquisition were as follows:

	Notes	Rafed AED'000	Union 71 AED'000	Total AED'000
ASSETS				
Property, plant and equipment	5	1,304	10,986	12,290
Intangible assets	6	178,600	961,200	1,139,800
Right-of-use assets	9	-	80,980	80,980
Inventories		-	12,120	12,120
Trade and other receivables		1,255,289	395,644	1,650,933
Due from related parties		95,591	150	95,741
Cash and bank		169,953	116,523	286,476
Total assets		1,700,737	1,577,603	3,278,340
LIABILITIES				
Trade and other payables		1,422,601	311,037	1,733,638
Lease liabilities	9	-	82,359	82,359
Due to related parties		-	97,563	97,563
Provision for employees' end of service benefits	26	1,427	7,256	8,683
Total liabilities		1,424,028	498,215	1,922,243
Net assets acquired		276,709	1,079,388	1,356,097
Less: purchase consideration		(4,539)	(18,151)	(22,690)
Additional contribution through a subsidiary		272,170	1,061,237	1,333,407

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

42 Business combination under IFRS 3 (continued)

Net assets as on the date of acquisition of subsidiaries is allocated as:

	2021 AED'000
Merger reserve (Note 22)	840,046
Non-controlling interests	493,361
	1,333,407

Analysis of cashflow on acquisition is as follows:

	Rafed AED'000	Union 71 AED'000	Total AED'000
ASSETS			
Net asset acquired on business combination	169,853	116,523	286,376
Cash paid for the acquisition	(4,539)	(18,151)	(22,690)
Acquisition of operating business – net of cash acquired (included in cashflows from investing activities)	165,314	98,372	263,686
Transaction costs of the acquisition (included in cashflows from operating activities)	(147)	(147)	(294)
Net cash acquired on acquisition	165,167	98,225	263,392

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

43 Changes in shareholding of subsidiaries

a) Partial disposal of shareholding in a subsidiary due to reorganisation:

	PHMS	PHH	Total
31 December 2022			
Reduction in shareholding (%)	**11.29%**	**31.88%**	
Carrying value of the shareholding (AED'000)	**509,907**	**970,708**	**1,480,615**
Difference recognised directly in **Retained earnings (AED'000)**	**59,648**	**300,289**	**359,937**
Merger reserves (Note 22) (AED'000)	**450,259**	**670,419**	**1,120,678**

On 1 January 2022, the Group transferred its ownership interest in PHMS to PHH, an investment holding company registered as a limited liability company in United Arab Emirates. As a result of this transaction, the Group's ownership in PHMS was reduced from 63% to 51.71% and an amount of AED 59.7 million and AED 450.2 million was transferred from the retained earnings and merger reserve, respectively, to non-controlling interests during the year ended 31 December 2022.

On 1 October 2022, the Group acquired Daman, SEHA and TLC as a result of this transaction the Group's ownership in PHH was reduced from 70.83% to 38.95% and an amount of AED 670.4 million from merger reserve and AED 300 million from retained earnings, respectively were transferred to non-controlling interests during the year ended 31 December 2022. This also resulted in a settlement of pre-existing relationship with the acquiree amounting to AED 1,080 million (Note 42).

b) Partial disposal of shareholding in subsidiaries against consideration:

	AIHR	AHSPV	ALDAR	Total
31 December 2022				
Reduction in shareholding (%)	**11.12%**	**49.00%**	**0.01%**	
Carrying value of the shareholding disposed-off (AED' 000)	**1,489,807**	**1,813,874**	**6,055**	**3,309,736**
Add: transaction costs paid (AED' 000)	**10,536**	**36,493**	**-**	**47,029**
Less: consideration (AED' 000)	**(1,469,000)**	**(1,836,250)**	**(5,144)**	**(3,310,394)**
Difference recognised in retained earnings (AED'000)	**31,343**	**14,117**	**911**	**46,371**

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

43 Changes in shareholdings of subsidiaries (continued)

During the year, a Group entity entered into a subscription agreement with an investor to acquire common equity of AED 367 million (USD 100 million) and preferred equity of AED 1,102 million (USD 300 million) of the Group entity. The preferred equity provides a fixed return for three years, following which it mandatorily converts into a fixed number of common shares. The above resulted in the Group disposing 11.121% of its shareholding in that entity for a total cash consideration of AED 1,469 million (USD 400 million). The above transaction does not result in any loss of control and hence is accounted for as an equity transaction.

During the year, the Group established a wholly owned subsidiary with its equity split into Class A shares (51%) and Class B shares (49%). Subsequent to its establishment the Group disposed its Class B shares against a consideration of AED 1,836 million (USD 500 million) to AHSPV, a wholly owned subsidiaries of Apollo Capital Management L.P.

c) Increase of shareholding in subsidiaries without consideration:

	PHMS	**NMDC**	**Total**
31 December 2022			
Increase in shareholding (%)	**10.52%**	**-**	
Carrying value of the shareholding account (AED' 000)	**326,407**	**-**	**326,407**
Difference recognised in retained earnings (AED'000)	**326,407**	**-**	**326,407**

On 1 October 2022, the Group acquired additional 10.52% of PHMS as result of this transaction and AED 326.4 million was transferred from non-controlling interest to retained earnings.

	PHMS	NMDC	Total
31 December 2021			
Increase in shareholding (%)	31.50%	3.38%	
Carrying value of the shareholding disposed-off (AED'000)	255,475	196,612	452,087
Difference recognised in merger reserve (Note 22) (AED'000)	255,475	196,612	452,087

In 2021, the Group acquired an additional equity stake of 31.5% amounting to AED 255 million in PHMS with effect from 1 July 2021. Further, it also acquired an additional 3.38% of NMDC for AED 197 million.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

43 Changes in shareholdings of subsidiaries (continued)

d) Increase of shareholding in subsidiaries against consideration:

During the year, the Group acquired 20% additional ownership interest in Mawarid for AED 800 million. The difference between the carrying value and the proceeds were directly recognised in the retained earnings.

44 Segment information

IFRS 8 *Operating Segments* requires operating segments to be identified on the basis of financial performance and internal reports about components of the Group in order to allocate resources to the segment and to assess its performance. For operating purposes, the Group is organised into the following business segments or revenue streams:

(i) Industrial, which includes to the provision of dredging and associated land reclamation works;

(ii) Construction, which provides contracting services relating to commercial and residential buildings, infrastructure development and civil construction works;

(iii) Real estate, which includes rental income from properties and income from investment in real estate companies or sale of real estate;

(iv) Healthcare, which includes hospitals and medical management services and laboratory diagnostic services; and

(v) Services and other segments which comprise management services, hospitality income as well as a variety of smaller ancillary activities. This includes investment, insurance revenue, and Islamic financing.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

44 Segment information (continued)

The following table presents revenue and profit information for the Group's operating segments for 2022:

	Healthcare AED '000	Industrial AED '000	Real estate AED '000	Construction AED '000	Services and other segments AED '000	Eliminations AED '000	Total AED '000
Revenue	11,172,560	10,792,094	6,572,798	6,340,742	5,171,795	-	**40,049,989**
Inter-segment sales*	146,253	103	201,682	286,823	95,290	(730,151)	**-**
Total revenue	11,318,813	10,792,197	6,774,480	6,627,565	5,267,085	(730,151)	**40,049,989**
Segment gross profit	**4,713,256**	**907,429**	**2,305,637**	**555,706**	**1,371,949**	**(116,268)**	**9,737,709**
General, administrative and selling expenses	(2,115,089)	(163,530)	(1,440,985)	(161,775)	(1,096,657)	133,661	**(4,844,375)**
Share of results of associates and joint ventures	11,344	5,203	(105,295)	(37,414)	(231,393)	-	**(357,555)**
Impairment of financial and other assets	(134,706)	35,187	-	(38,281)	(234,300)	-	**(372,100)**
Investment and other income	106,666	489,390	54,752	60,726	433,359	(5,024)	**1,139,869**
Income from government grants	1,214,916	-	-	-	208,415	-	**1,423,331**
Gain on bargain purchase of subsidiaries	-	-	-	-	416,372	-	**416,372**
Gain on derecognition and partial disposal of investment in associates and joint ventures	-	-	-	-	3,879,900	-	**3,879,900**
Finance costs, net	(25,009)	(30,032)	(184,639)	(2,854)	(125,950)	21,239	**(347,245)**
Profit before tax	**3,771,378**	**1,243,647**	**629,470**	**376,108**	**4,621,695**	**33,608**	**10,675,906**
Income tax	-	(41,982)	(17,334)	(4,010)	(5,206)	-	**(68,532)**
Profit after tax	**3,771,378**	**1,201,665**	**612,136**	**372,098**	**4,616,489**	**33,608**	**10,607,374**

*****Inter-segment sales are generally charged at prevailing market prices.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

44 Segment information (continued)

The following table presents revenue and profit information for the Group's operating segments for 2021:

	Healthcare AED '000	Industrial AED '000	Real estate AED '000	Construction AED '000	Services and other segments AED '000	Eliminations AED '000	Total AED '000
Revenue	6,714,701	5,695,843	46,726	4,719,018	1,492,912	-	18,669,200
Inter-segment sales*	-	307	-	2,045	4,076	(6,428)	-
Total revenue	6,714,701	5,696,150	46,726	4,721,063	1,496,988	(6,428)	18,669,200
Segment gross profit	4,231,631	427,098	30,257	354,705	575,801	1,831	5,621,323
General, administrative and selling expenses	(389,657)	(164,120)	(12,146)	(128,087)	(292,468)	-	(986,478)
Share of results of associates and joint ventures	23,351	7,120	-	31655	(52,826)	-	9,300
Impairment of financial and other assets	(323,448)	(85,333)	(73)	7,500	(6,815)	-	(408,169)
Investment and other income	(19,034)	609,607	145,725	26,091	262,310	(2,138)	1,022,561
Income from government grants	-	-	-	-	-	-	-
Gain on bargain purchase of subsidiaries	-	-	-	-	-	-	-
Gain on derecognition and partial disposal of investment in associates and joint ventures	-	-	-	-	-	-	-
Finance costs, net	(4,845)	(20,783)	(23,927)	(9,516)	(26,011)	-	(85,082)
Profit before tax	3,517,998	773,589	139,836	282,348	459,991	(307)	5,173,455
Income tax	-	(8,529)	-	-	2,443	-	(6,086)
Profit after tax	3,517,998	765,060	139,836	282,348	462,434	(307)	5,167,369

*Inter-segment sales are generally charged at prevailing market prices.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

44 Segment information (continued)

The following table presents segment assets and liabilities of the Group's operating segments as at 31 December 2022.

	Healthcare AED '000	**Industrial AED '000**	**Real estate AED '000**	**Construction AED '000**	**Services and other segments AED '000**	**Eliminations AED '000**	**Total AED '000**
Non-current assets	7,975,464	5,112,104	32,532,444	732,766	9,856,907	(63,881)	**56,145,804**
Current assets	12,532,217	11,268,090	23,809,041	6,023,326	27,194,162	(5,943,416)	**74,883,420**
Assets related to discontinued operations	-	-	-	-	-	-	-
Total assets	**20,507,681**	**16,380,194**	**56,341,485**	**6,756,092**	**37,051,069**	**(6,007,297)**	**131,029,224**
Non-current liabilities	3,343,373	2,161,880	11,171,527	305,178	6,556,351	(76,503)	**23,461,806**
Current liabilities	4,720,897	7,552,302	13,013,607	4,825,061	13,380,994	(5,964,403)	**37,528,458**
Liabilities related to discontinued operations	-	-	-	-	-	-	-
Total liabilities	**8,064,270**	**9,714,182**	**24,185,134**	**5,130,239**	**19,937,345**	**(6,040,906)**	**60,990,264**

The following table presents segment assets and liabilities of the Group's operating segments as at 31 December 2021.

	Healthcare AED '000	Industrial AED '000	Real estate AED '000	Construction AED '000	Services and other segments AED '000	Eliminations AED '000	Total AED '000
Non-current assets	1,633,853	5,455,603	11,445,116	733,370	2,240,057	(307)	21,507,692
Current assets	6,148,081	7,848,639	520,896	4,558,463	3,913,360	(288,388)	22,701,051
Assets related to discontinued operations	-	-	-	-	3,138,608	-	3,138,608
Total assets	7,781,934	13,304,242	11,966,012	5,291,833	9,292,025	(288,695)	47,347,351
Non-current liabilities	148,124	2,025,237	1,500,000	385,549	1,481,170	-	5,540,080
Current liabilities	3,786,310	5,392,401	57,575	3,672,615	1,026,850	(288,388)	13,647,363
Liabilities related to discontinued operations	-	-	-	-	2,188,327	-	2,188,327
Total liabilities	3,934,434	7,417,638	1,557,575	4,058,164	4,696,347	(288,388)	21,375,770

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

44 Segment information (continued)

The following table presents other segment information:

	Healthcare AED '000	Industrial AED '000	Real estate AED '000	Construction AED '000	Services and other segments AED '000	Eliminations AED '000	Total AED '000
At 31 December 2022							
Depreciation and amortisation	**370,579**	**563,527**	**662,777**	**111,032**	**312,819**	**(10,801)**	**2,009,933**
Addition to non-current assets	**1,689,454**	**870,214**	**8,198,898**	**136,406**	**1,891,938**	**-**	**12,786,910**
At 31 December 2021							
Depreciation and amortisation	23,982	425,790	8,869	112,144	70,092	-	640,877
Addition to non-current assets	324,416	143,737	-	137,764	123,558	(307)	729,168

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

44 Segment information (continued)

The Group has aggregated its geographical segments into the UAE and overseas. Overseas includes operations in Egypt, Saudi Arabia, Bahrain, India, Kuwait, Maldives, Seychelles and Sudan:

The following table shows the Group's geographical segment analysis:

	UAE AED '000	Overseas AED '000	Total AED '000
31 December 2022			
Revenue	**34,817,299**	**5,232,690**	**40,049,989**
Gross profit	**8,628,824**	**1,108,885**	**9,737,709**
Non-current assets	**53,910,634**	**2,235,170**	**56,145,804**
31 December 2021			
Revenue	15,802,868	2,866,332	18,669,200
Gross profit	5,503,983	117,340	5,621,323
Non-current assets	20,518,219	989,473	21,507,692

45 Fair value measurement

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices at the close of the business on the reporting date.
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

45 Fair value measurement (continued)

Fair value of the Group's assets that are measured at fair value on recurring basis

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities, grouped into Levels 1 to 3 based on the degree to which the fair value is observable and gives information about how the fair value of these financial assets are determined:

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

The following table gives information about how the fair value of the Group's assets are determined.

	Significant input	**Quoted prices in active markets (Level 1) AED '000**	**Significant observable inputs (Level 2) AED '000**	**Significant unobservable inputs (Level 3) AED '000**	**2022 AED '000**	2021 **AED '000**
Financial assets						
Investment in financial assets at FVTPL	None	**2,197,977**	**3,132,773**	**-**	**5,330,750**	1,000,424
Investment in financial assets at FVTOCI	None	**244,235**	**851,734**	**-**	**1,095,969**	1,650
Derivative financial assets	None	**-**	**248,792**	**-**	**248,792**	6,403
Financial liabilities						
Derivative financial liabilities	None	**-**	**50,171**	**-**	**50,171**	45,564
Non-financial assets						
Biological assets	None	**-**	**27,008**	**-**	**27,008**	25,273
Investment properties						
- Plots of land	Comparable transactions. Current market prices of similar assets	**-**	**-**	**626,291**	**626,291**	63,945
- Commercial and residential properties	Capitalisation approach, annual market rent, discount rate	**-**	**-**	**23,628,129**	**23,628,129**	730,477
- Property under construction	Capitalisation of construction costs incurred	**-**	**-**	**114,763**	**114,763**	-

There were no transfers between the levels during the year. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table. There were no unobservable inputs to the fair value.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

46 Financial instruments

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.

Categories of financial instruments:

	FVTPL – derivatives designated in hedge relationships	FVTPL – mandatorily measured	FVTOCI	Amortised cost	Total
Financial assets			AED'000		
31 December 2022					
Investments in financial assets	**-**	**5,330,750**	**1,095,969**	**167,918**	**6,594,637**
Contract assets	-	-	-	**7,186,319**	**7,186,319**
Trade and other receivables (excluding deferred tax assets and prepayments and deposits)	**248,792**	-	-	**20,379,870**	**20,628,662**
Due from related parties	-	-	-	**1,639,393**	**1,639,393**
Cash and bank balances	-	-	-	**25,488,098**	**25,488,098**
	248,792	**5,330,750**	**1,095,969**	**54,861,598**	**61,537,109**
31 December 2021					
Investments in financial assets	-	1,000,424	1,650	-	1,002,074
Contract assets	-	-	-	5,743,740	5,743,740
Trade and other receivables (excluding deferred tax assets and prepayments and deposits)	6,403	-	-	6,409,982	6,416,385
Due from related parties	-	-	-	1,326,790	1,326,790
Cash and bank balances	-	-	-	7,755,403	7,755,403
	6,403	1,000,424	1,650	21,235,915	22,244,392

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

46 Financial instruments (continued)

Categories of financial instruments (continued)

	FVTPL – designated	FVTPL – mandatorily measured	Amortised cost	Total
		AED'000		
Financial liabilities				
31 December 2022				
Lease liabilities	**-**	**-**	**2,507,887**	**2,507,887**
Due to related parties	**-**	**-**	**2,019,205**	**2,019,205**
Borrowings	**-**	**-**	**14,515,560**	**14,515,560**
Non-convertible sukuk	**-**	**-**	**3,681,916**	**3,681,916**
Contract liabilities	**-**	**-**	**9,940,067**	**9,940,067**
Trade and other payables	**47,236**	**2,935**	**25,732,963**	**25,783,134**
	47,236	**2,935**	**58,397,598**	**58,447,769**
31 December 2021				
Lease liabilities	-	-	587,439	587,439
Due to related parties	-	-	749,811	749,811
Borrowings	-	-	5,583,727	5,583,727
Non-convertible sukuk	-	-	-	-
Contract liabilities	-	-	1,634,318	1,634,318
Trade and other payables	5,639	39,925	9,927,939	9,973,503
	5,639	39,925	18,483,234	18,528,798

Capital risk management

The Group manages its capital to ensure it will be able to continue as a going concern while maximising the return on equity. The Group does not have a formalised optimal target capital structure or target ratios in connection with its capital risk management objectives.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

46 Financial instruments (continued)

Capital risk management (continued)

At end of the year, the net debt to equity ratio is as follows:

	2022 **AED '000**	2021 AED '000
Debt	**20,718,663**	6,371,166
Less: cash and bank balances	**(25,488,098)**	(7,755,403)
Net surplus	**(4,769,435)**	(1,384,237)
Net equity	**70,038,960**	25,971,581
Debt to equity ratio (%)	**29.58%**	24.58%

Financial risk management objectives

The Group monitors and manages the financial risks relating to the operations of the Group. These risks include market risks, credit risk, insurance risk, and liquidity risk. The Group does not enter into or trade in derivative financial instruments for speculative or risk management purposes.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the finance income or finance cost of the Group. The Group is exposed to cash flow interest rate risk on its bank borrowings at floating interest rates.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for interest bearing financial instruments at the end of the reporting year. For variable rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting year was outstanding for the whole year.

Notes to the consolidated financial statements
for the year ended 31 December 2022 (continued)

46 Financial instruments (continued)

Interest rate risk (continued)

Interest rate sensitivity analysis (continued)

If interest rates had been 75 basis points higher / lower throughout the year and all other variables were held constant, the Group's profit and equity for the year ended 31 December 2022 would decrease / increase by approximately AED 73,873 thousand (2021: decrease / increase AED 20,904 thousand).

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at the reporting date and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the financial year.

The notional principal amounts and terms of interest rate swaps are disclosed in Note 29.

Foreign currency risk

Foreign currency risk is the risk that a financial instrument will fluctuate due to changes in foreign exchange rates. Assets are typically funded in the same currency as that of the business being transacted to eliminate exchange exposures. Management believes that there is a minimal risk of significant loss due to exchange rate fluctuations and consequently the Group does not necessarily hedge its foreign currency exposure.

	2022		2021	
	Liabilities AED '000	**Assets AED '000**	Liabilities AED '000	Assets AED '000
Egyptian Pound (EGP)	**3,629,112**	**5,751,073**	520,735	1,378,071
Euro	**46,053**	**72,210**	56,851	1,453
Indian Rupees (INR)	**-**	**-**	13,050	33,646
Others	**1,705**	**10,034**	349	7,063

Foreign currency sensitivity analysis

The Group is mainly exposed to Egyptian Pound (EGP), Euro (EUR) and Indian Rupees (INR). The exchange rate of the UAE Dirham is pegged to the US Dollar and therefore the risks associated therewith are considered to be insignificant.

The following paragraph details the Group's sensitivity to a 10% increase or decrease in the UAE Dirham against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents the Group's assessment of the reasonably conceivable change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the yearend for a 10% change in foreign currency rates.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

46 Financial instruments (continued)

Foreign currency risk (continued)

Foreign currency sensitivity analysis (continued)

Based on the sensitivity analysis to a 10% (2021: 10%) increase / decrease in the Egyptian Pound against the UAE Dirham with all other variables held constant equity for the year would have been higher or lower by AED 212,196 thousand (2021: AED 85,734 thousand) mainly as a result of foreign exchange differences on translation of Egyptian Pound denominated amounts.

Based on the sensitivity analysis to a 10% (2021: 10%) increase / decrease in the Euro against the UAE Dirham with all other variables held constant equity for the year would have been lower or higher by AED 2,616 thousand (2021: AED 5,540 thousand) mainly as a result of foreign exchange differences on translation of Euro denominated amounts.

Based on the sensitivity analysis to a 10% (2021: 10%) increase / decrease in the Indian Rupee against the UAE Dirham with all other variables held constant equity for the year would have been higher or lower by AED Nil (2021: AED 2,060 thousand) mainly as a result of foreign exchange differences on translation of Indian Rupee denominated amounts.

The Group believes that the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting year does not reflect the exposure during the year.

Equity price risk

The Group is exposed to equity price risks arising from equity investments.

Equity investments in unlisted entities (see Note 12) are held for strategic rather than trading purposes. The Group does not actively trade these investments.

The Group invested in a portfolio of listed shares which are held-for-trading (see Note 12). This type of investment is approved by the Board as the alternative to investment in money market funds in order to generate higher investment return on the spare funds.

The Group's listed equity securities are susceptible to market price arising from uncertainties about future values of the investment securities. The Group manages equity price risk through diversification and placing limits on individual and total equity investments.

The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date. If equity prices had been 5 per cent higher / lower:

- Net profit for the year ended 31 December 2022 would increase by AED 109,899 thousand (2021: AED 41,163 thousand) as a result of the changes in fair value of the investments in listed shares and vice versa.

- Other comprehensive income would increase by AED 12,212 thousand (2021: AED 79 thousand) as a result of the changes in fair value of the investments in equity instruments and vice versa.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

46 Financial instruments (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at 31 December 2022, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise credit risk, the Group develops and maintains its credit risk grading to categorise exposures according to their degree of risk of default. The credit rating information is based on available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. The tables below detail the credit quality of the Group's financial assets, contract assets and financial guarantee contracts, as well as the Group's maximum exposure to credit risk by credit risk rating grades.

	Notes	External credit ratings	Internal credit ratings	12 month or lifetime ECL	Gross carrying amount AED '000	Loss allowance AED '000	Net carrying amount AED '000
31 December 2022							
Trade receivables	15	N/A	(i)	Lifetime ECL	**10,181,371**	**(603,501)**	**9,577,870**
Retention receivables	15	N/A	(i)	Lifetime ECL	**730,245**	**(48,406)**	**681,839**
Advances to suppliers	15	N/A	(i)	Lifetime ECL	**3,825,218**	**(1,798)**	**3,823,472**
Contract assets	13	N/A	(i)	Lifetime ECL	**7,186,319**	**(81,873)**	**7,104,446**
Due from related parties	18	N/A	(i)	12-month ECL	**2,038,184**	**(398,791)**	**1,639,393**
Bank balances	19	BB	NA	12-month ECL	**25,519,003**	**(30,905)**	**25,488,098**
Financial investments	12	N/A	(i)	12-month ECL	**257,082**	**(23)**	**257,059**
Other receivables	15	N/A	(i)	12-month ECL	**3,629,248**	**(226,101)**	**3,403,147**

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

46 Financial instruments (continued)

Credit risk (continued)

	Notes	External credit ratings	Internal credit ratings	12 month or lifetime ECL	Gross carrying amount AED '000	Loss allowance AED '000	Net carrying amount AED '000
31 December 2021							
Trade receivables	15	N/A	(i)	Lifetime ECL	4,331,780	(216,039)	4,115,741
Retention receivables	15	N/A	(i)	Lifetime ECL	474,124	(45,493)	428,631
Advances to suppliers	15	N/A	(i)	Lifetime ECL	1,198,129	(1,798)	1,196,331
Contract assets	13	N/A	(i)	Lifetime ECL	5,840,076	(96,336)	5,743,740
Due from related parties	18	N/A	(i)	12-month ECL	1,369,644	(42,854)	1,326,790
Bank balances	19	BB	NA	12-month ECL	7,786,308	(30,905)	7,755,403
Financial investments	12	N/A	(i)	12-month ECL	-	-	-
Other receivables	15	N/A	(i)	12-month ECL	686,214	-	686,214

For trade receivables, retention receivables and contract assets, the Group has applied the simplified approach under IFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix.

Insurance risk

The Group's underwriting business is based entirely within the UAE. The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long–term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The above risk exposure is mitigated by diversification across a portfolio of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as through the use of reinsurance arrangements.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

46 Financial instruments (continued)

Insurance risk (continued)

Reinsurance ceded contracts do not relieve the Group from its obligations to policyholders. The Group remains liable to its policyholders for the portion reinsured to the extent that any reinsurer does not meet the obligations assumed under the reinsurance agreements. The reinsurance strategy of the Group is designed to protect exposures to individual risks and events based in current risk exposures through cost effective insurance agreements.

Frequency and amounts of claims
The frequency and amounts of claims can be affected by several factors. The Group underwrites health insurance business, based on different health insurance products. Some products are subsidised product by the Government of Abu Dhabi. In the case of loss ratio being more than a 100% on the net risk premiums, the Group requests the government of Abu Dhabi to provide a subsidy to cover the losses. In the case of the loss ratio being less than 100% on the net risk premium, the Group is liable to transfer the excess to a specific account (Government Claim Cap).

These are regarded as short-term insurance contracts as claims are normally advised and settled within one year of the insured event taking place. This helps to mitigate insurance risk.

Managing reinsurance risk
In common with other insurance companies, in order to minimise financial exposure arising from large insurance claims, the Group, in the normal course of business, enters into arrangements with other parties for reinsurance purposes. Such reinsurance arrangements provide for greater diversification of business, allow management to control exposure to potential losses arising from large risks, and provide additional capacity for growth.

To minimise its exposure to significant losses from reinsurer insolvencies, the Group evaluates the financial condition of its reinsurer and monitors concentrations of credit risk arising from similar geographic regions, activities or economic characteristics of the reinsurers.

Liquidity risk

Ultimate responsibility for liquidity risk rests with the management, which has built an appropriate liquidity risk management framework for the planning of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

46 Financial instruments (continued)

Liquidity risk (continued)

	Current less than 1 year AED '000	Non-current greater than 1 year AED '000	Total AED '000
31 December 2022			
Trade and other payables (excluding provision for onerous projects)	**24,070,367**	**1,698,307**	**25,768,674**
Bank borrowings	**1,615,447**	**14,240,941**	**15,856,388**
Non-convertible sukuk	**37,104**	**4,323,485**	**4,360,589**
Due to related parties	**2,019,205**	**-**	**2,019,205**
Contract liabilities	**9,940,067**	**-**	**9,940,067**
Lease liabilities	**166,365**	**2,836,605**	**3,002,970**
	37,848,555	**23,099,338**	**60,947,893**
31 December 2021			
Trade and other payables (excluding provision for onerous projects)	9,914,951	58,552	9,973,503
Bank borrowings	1,325,378	4,528,155	5,853,533
Non-convertible sukuk	-	-	-
Due to related parties	749,811	-	749,811
Contract liabilities	-	1,634,318	1,634,318
Lease liabilities	51,802	735,501	787,303
	12,041,942	6,956,526	18,998,468

At 31 December 2022, the Group had available AED 5,968 million (2021: AED 1,732 million) of undrawn committed borrowing facilities in respect of which all conditions precedent have been met.

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

47 Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from the financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

Particulars	Borrowings AED '000	Loan from a related party AED '000	Lease liabilities AED '000	Derivate financial instruments AED '000
At 1 January 2022	**5,583,726**	**13,300**	**587,439**	**45,564**
Recognition of lease liability	**-**	**-**	**1,456,450**	**-**
Acquisition of entities under common control	**300,000**	**-**	**20,337**	**-**
Assets arising on acquisition of subsidiaries	**4,357,748**	**-**	**591,603**	**(80,566)**
Disposal group classified as held-for-sale	**-**	**-**	**(1,133)**	**-**
Financing cashflows	**4,400,522**	**-**	**(126,403)**	**(13,840)**
Other changes	**(126,436)**	**-**	**(20,406)**	**99,013**
At 31 December 2022	**14,515,560**	**13,300**	**2,507,887**	**50,171**
At 1 January 2021	496,784	13,300	73,365	-
Recognition of lease liability	-	-	65,753	-
Acquisition of entities under common control	6,076,923	-	403,809	66,220
Disposal group classified as held-for-sale	(200,000)	-	(1,991)	-
Financing cashflows	(756,226)	-	(39,053)	(16,925)
Other changes	(33,755)	-	85,556	(3,731)
At 31 December 2021	5,583,726	13,300	587,439	45,564

Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

48 Subsequent events

Subsequent to year end, the Group has entered into the following transactions:

a) The Group signed an agreement for the purchase of two plots of land located on Al Fahid Island in Abu Dhabi, UAE for a total consideration of AED 2.5 billion to be paid over a period of five years;

b) The Group entered into a strategic partnership with Dubai Holding to develop three communities in Dubai, UAE through a joint venture;

c) An investment of AED 110.25 million (US$ 30 million) in Chim Fin I PE fund, a financial service and fintech fund.

Corporate Income Tax

On 3 October 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") issued Federal Decree Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to implement a new CT regime in the UAE. The new CT regime is applicable for accounting periods beginning on or after 1 June 2023.

Generally, UAE businesses will be subject to a 9% CT rate, however a rate of 0% could be applied to taxable income not exceeding a particular threshold or to certain types of entities, to be prescribed by way of a Cabinet Decision.

The Group is currently assessing the impact of these laws and regulations and will apply the requirements as further guidance is provided by the relevant tax authorities, which will be applicable for the Group for the financial year beginning 1 January 2024.



03 Corporate Governance Report



Corporate Governance Report

2022

3rd March 2023

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Introduction

Alpha Dhabi Holding LLC (formerly "Trojan Holding LLC") was established in 2013 and renamed in April 2021. Pursuant to a special resolution of the shareholders passed in May 2021, Alpha Dhabi Holding LLC was converted into a Public Joint Stock Company as Alpha Dhabi Holding PJSC ("ADH" or the "Company"). ADH was then registered with Abu Dhabi Exchange ("ADX"), with the shares listed on ADX on 27 June 2021. ADH and its subsidiaries are collectively referred to as "the Group".

Corporate Governance are a set of rules and practices that regulate the management and control of the Company. Alpha Dhabi Holding PJSC's ("ADH" or the "Company") corporate governance model is directed at the maximisation of value for shareholders, the effective control of business risks and the utmost transparency with respect to the market; it also seeks to ensure the integrity and fairness of decision-making processes and strengthen the relationship of trust with its investors and stakeholders. Corporate Governance enhances the performance of ADH by establishing and maintaining a corporate culture that motivates Management and employees to maximize the operational efficiency, thereby ensuring returns on investment and long-term productivity growth.

This corporate governance report of the Company gives an overview of ADH's corporate governance systems and procedures as of 31 December 2022. It is being filed with Securities and Commodities Authority (SCA), posted on the ADX website and the Company's website. This report is governed by the Resolution of the Board of the Securities and Commodities Authority ("SCA") No. 3/Chairman. of 2020 as amended from time to time on the Corporate Discipline and Governance Standards of Public Joint-Stock Companies ("Resolution 3/2020"). The format of this report is prescribed by SCA.

ADH Structure

ADH believes that maintenance of an efficient organizational structure, systems for internal control and risk management and transparent internal and external reporting ensures that all operations create long-term value for shareholders and other stakeholders.

ADH, its subsidiaries and affiliates (together termed as the "Group") has been organized into six verticals and the operating business units (subsidiaries, joint ventures, and affiliates) have been grouped under one of these verticals for efficient operations as below.

Vertical 1 Industrial

Vertical 2 Construction

Vertical 3 Hospitality

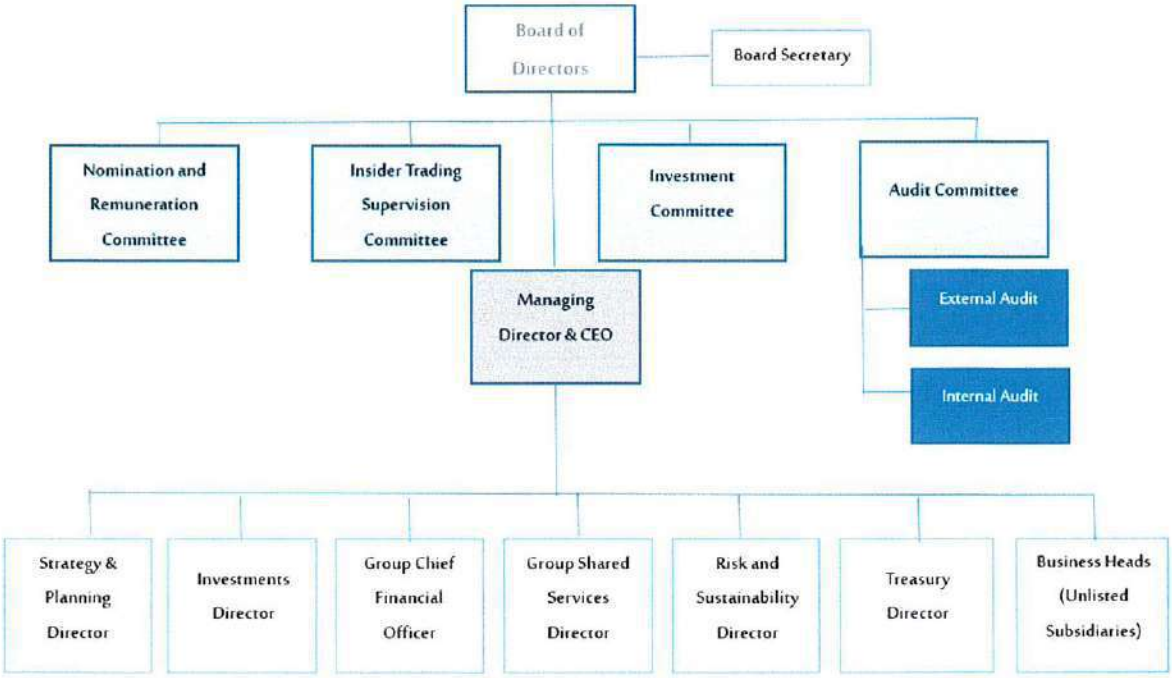
Vertical 4 Healthcare

Vertical 5 Partners (investment vertical)

Vertical 6 Energy



ADH's Group Structure is as below:



The shareholders are the ultimate decision-makers in respect of the direction of the Company as they are responsible for appointing the Board of Directors. The General Assembly Meeting is the highest decision-making body in the Company and is the forum in which shareholders express themselves and exercise their right to decide on the Company's direction.

The Board is the primary decision-making body for all matters that are material to the Group. The Board plays a critical role in ensuring that the Group conducts its business in a manner which is consistent with the highest standards of corporate governance and ethical behaviour contributing positively to the economy and wider society. The Board is and shall remain responsible for the overall governance of the Group and for those matters that are reserved for the Board.

The Company is managed by the Board of Directors composed of five members elected by the ordinary general assembly through a cumulative secret ballot for a period of three years. The Board's roles and responsibilities are set out in the Board Charter (currently under review by the Board), which include:

- Set ADH's strategic direction / goals, approve and monitor corporate strategy (including subsidiaries), business plan, annual budget, and any amendments thereto;
- Review financial performance considering the strategy, business plan and budget of ADH ensuring that where necessary corrective action is taken;
- Approve investment related decisions – mergers, acquisitions, reorganisation and exits;
- Establish, promote, and maintain proper processes and controls to maintain the integrity of accounting and financial records and reporting;
- Approve the risk management framework of ADH including risk appetite, maximum limits, or indicators of risk appetite and ensuring balanced approach between risk management and growth objectives.

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- Receive regular reports from ADH Management on all actual and anticipated strategic risks confronting the Group, including updates from the Audit Committee, as appropriate;
- Adopt and oversee implementation of corporate governance practices;
- Review Board composition and performance;
- Recruitment, termination, reward, compensation and benefit matters for the Managing Director and CEO as well as senior management of ADH; Determine Managing Director and CEO's delegated authority;
- Ensure that there is an effective subsidiary governance programme in place to assure itself that "downstream governance" reflects the same values, ethics, controls and processes as at the ADH board level.
- Establishing, approving, overseeing and ensuring the implementation of an Environmental, Social, Governance (ESG) framework, policies and ESG systems for ADH.

The four Committees in place are: Audit Committee, Nomination and Remuneration Committee, Investment Committee and Insider Trading Supervision Committee which review and monitor key areas on behalf of the Board and make recommendations for its approval. Each Board Committee operates under written terms of reference and Information on the activities and composition of each Committee is set out in the following sections.

Delegation of Authority to the Board Members and Executive Management

The ADH Board has delegated, through a Power of Attorney to the Chairman and Vice-Chairman, the authority to represent, attend, act, and sign (with wider authorities) on behalf of the Company its subsidiaries in all matters or transactions and other acts that any of the entities may do or assume. The Power of Attorney is provided for a period of 3 years and was attested by the notary public.

The ADH Board has also delegated, through a Power of Attorney to the Managing Director and CEO, the authority, and powers necessary to manage the business affairs of the Group. This power of attorney is also provided for a period of 3 years and was attested by the notary public. This includes the power to:

- represent and manage the Company, its subsidiaries and affiliates in all transactions and documents before the Government, Semi-Government and Private entities;
- represent and sign all contracts and agreements on behalf of the Company, its subsidiaries, and affiliates inside and outside of the United Arab Emirates;
- appoint and terminate managers for the Company, its subsidiaries, and affiliates; and
- manage the Company, its subsidiaries, and affiliates' operations.

The Managing Director & CEO and / or the Board may further delegate authority to one or more leaders of an operational group or legal entity ("Business Unit") but they remain accountable for all authorities delegated. The Group has a decentralized corporate structure in which the overall management of operational activities is largely performed by the respective Business Unit leadership team. To enable this, the Managing Director & CEO and / or the Board of the Business Unit (wherever applicable) may have delegated part of their authorities, on operational matters, to the Business Unit heads necessary to run the business. The delegation of such authorities are effected through a notarised power of attorney.

Corporate Governance Policies and Procedures

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ADH has developed several policies and guidelines for achieving robust corporate governance standards. These policies are under review of the Board of Directors

- Corporate Governance Manual outlines the corporate governance framework and structure adopted by the Group. The manual describes the key elements of governance such as (but not limited to) the duties and responsibilities of the Board of Directors, Board Committees, the Executive Management, the segregation of duties, risk management, internal control systems, rights of shareholders and other stakeholders, disclosure and transparency among other core governance elements.
- Charters for effective functioning of the Board and the Board Committees.
- Code of Conduct and Business Ethics describing the responsibilities of Directors of the Company and employees at all levels, for managing business activities with integrity and legal compliance.
- Delegation of Authority Policy to ensure efficient and effective decision making which balances empowerment against controls.
- Conflict of Interest Policy providing guidance in identifying and handling potential and actual conflicts of interest involving the Group.
- Anti-Fraud Policy aiming to facilitate the development of controls that will aid in the detection and prevention of fraud and provide an overall framework for managing suspected cases of fraud.
- Whistle-blower Policy for fostering the culture of raising any suspicion and/or concern in an easy and secure mechanism while maintaining anonymity.
- Compliance Management Policy to promote a culture of good corporate governance and compliance practices, and gain assurance through its governance arrangements that the Group is in conformance with its legal and policy obligations.
- Disclosure and Transparency Policy providing guidelines to ensure that ADH Group makes timely and accurate disclosure on all material matters, including the financial situation, performance, governance, rules pertaining to disclosure of information, methods of classification of information, and the frequency of disclosure.

Subsidiary Governance

The ADH Board and its committees oversee subsidiary governance on an enterprise level. This centralised approach provides consistency and transparency, enabling the Group to be responsive to evolving business needs, best practices and regulatory requirements and expectations.

The Group is organised into six verticals and the Business Units have been grouped under one of these verticals for efficient structuring reasons. Independent boards have been established for subsidiaries and affiliates wherever required or appropriate, with the roles and responsibilities of those boards being clearly defined to ensure that they are run effectively. For other Business Units, the Delegation of Authority Policy framework lists out the matters reserved for ADH Shareholders, ADH Board, ADH Managing Director and CEO and Business Unit Management.

The Board of Directors Transactions in Securities

Transactions report of the members of the Board of Directors, their spouses, and their children in the Company's securities during the year 2022

Name	Position/ Relationship	Shares held as at 31 December 2021	Total Purchase Transactions	Total Sale Transactions	Shares held as at 31 December 2022
H E Mohamed Thani Murshed Ghannam Alrumaithi	Chairman – ADH Board	1,176,471	46,000,000	-	47,176,471

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Mr. Sultan Dhahi Sultan Maasam Alhemeiri	Member – ADH Board	811,760	-	811,760	-
Mr. Hamad Sultan Dhahi Sultan Maasam Alhemeiri	Son of Board Member	94,120	-	94,120	-
Mr. Mohammad Sultan Dhahi Sultan Maasam Alhemeiri	Son of Board Member	94,120	-	94,120	-
HBL Commercial Investment – Sole Proprietorship LLC	Company owned by Board Member	400,000,000	-	-	400,000,000

Rules and Procedures Governing the Transactions of Company Shares

The rules and procedures governing the transactions of the Board of Directors of the Company and its employees in securities issued by the Company include.

- Compliance with the resolution of the Authorities' Management Board of Directors No. (2)/2001 regarding the special system for trading, clearing, settlement, transfer of ownership and custody of securities.
- All members of the Board and employees of the Company shall be prohibited from exploiting internal information to purchase or sell shares in the Market, and any transactions thereof shall be considered null and void.
- All members of the Board and any employees who are familiar with the basic data of the Company may not act on their own or through others by dealing in the securities of the Company during the following periods:
  - Ten (10) business days before the announcement of any material information that would affect the price of the share up or down unless the information is the result of abrupt and sudden events.
  - Fifteen (15) days prior to the end of the quarterly, semi-annual, and annual financial periods and until disclosure of its financial statements.

Considerations of the provisions of the law shall be taken, when the above-mentioned persons act by themselves or through others to deal in the securities of the Company, and any transaction contrary thereto shall be null and void.

In addition, the Board remains committed to ADX regulations relating to organization of transactions of the members of the listed companies' management, board of directors and other inside traders.

The extent to which the Board members are committed to comply with disclosure requirements prescribed by the provisions of the Law and the regulations and decisions issued pursuant thereto in respect of their transactions in securities.

Members of the Board of Directors have complied with the disclosure requirements prescribed by the provisions of the law, regulations and decisions issued pursuant thereto in respect of their transactions in securities issued by the Company.

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Board of Directors Structure, Composition and Effectiveness

The present Board of Directors was elected at the Annual General Meeting held on 23 June 2021 for a term of three years. The Board currently has five members, comprising an independent non-executive Chairman, 3 independent non-executive Directors and a non-independent executive Director.

ADH supports the inclusion and participation of women in business and believes that diversity contributes to the quality and effectiveness of governance. ADH's Board has one female board member, bringing the female representation in the Board to 20% of the total number of the Board Members.

Board of Directors	Role	Category	Member Since
H E Mohamed Thani Murshed Ghannam Alrumaithi	Chairman of the Board	Independent, Non-Executive	2021
Mr. Syed Basar Shueb	Vice Chairman of the Board Chairman, Investment Committee Member, Audit Committee	Independent, Non-Executive	2021
Mr. Hamad Salem Mohamed Binlouteya Alameri	Board Member Managing Director Member, Nomination and Remuneration Committee Member, Investment Committee	Non – Independent, Executive	2021
Mr. Sultan Dhahi Sultan Maasam Alhemeiri	Board Member Chairman, Nomination and Remuneration Committee Member, Audit Committee Chairman, Insider Trading Supervision Committee	Independent, Non-Executive	2021
Ms. Sofia Abdellatif Lasky	Board Member Chairperson, Audit Committee Member, Nomination and Remuneration Committee Member, Investment Committee	Independent, Non-Executive	2021

None of the Board of Directors resigned during the year 2022.

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Profile of Board Members

The table below shows the names, roles, experience, and capacities of the current Board of Directors.

H E Mohamed Thani Murshed Ghannam Alrumaithi

Position and Committee Memberships

Chairman of ADH Board, Independent/ Non-Executive

Skills, Experience and External Appointments

With his extensive and illustrious career and experience in various sectors and industries, both locally and internationally, H.E. Alrumaithi has held several leadership roles such as Non-Executive Member of the Board of Directors of First Abu Dhabi Bank since 2017 as well as Member of the Audit Committee of the Board of Directors, Chairman of the Board of Directors of Murban Energy Limited, Abu Dhabi, Chairman of the Federation of Chambers of Commerce and Industry of the UAE, Member of the Board of Directors of Canal Sugar Egypt representing Murban Energy Limited, and Chairman of the Board of Directors of the National Marine Dredging Company (NMDC). Currently, he also holds the position of Chairman of the Board of Directors of Thani Murshid Group of Companies, Abu Dhabi, UAE.

Mr. Syed Basar Shueb

Position and Committee Memberships

Vice Chairman of ADH Board, Independent/Non-Executive

Member, Audit Committee

Chairman, Investment Committee

Skills, Experience and External Appointments

Alongside his tenure at Alpha Dhabi, Syed Basar has held the position of Group CEO of the Pal Group of Companies since 2000 and holds leadership positions on several other high-profile companies, including Reem Finance PJSC, Chimera Investments, and Keyhole TIG (K-TIG) Limited, and is one of the key players in the UAE's utilities services sector through PAL District Cooling.

In addition to becoming CEO, Managing Director and a member of the Board of Directors of IHC, Syed Basar was elected to the Board of Directors of the Abu Dhabi Chamber of Commerce and Industry.

An accomplished and respected senior executive, he has substantial and diversified experience in the processing, manufacturing, construction, finance and service industries, and was listed in the Middle East's top-tier of CEOs by Forbes in 2021; Basar is known to be a decisive and pragmatic leader, and for his skill in creating and nurturing cohesive and focused business units that grow profitable bottom lines.

He has played an integral part in IHC being in the top 10 performers of Abu Dhabi Bourse listed companies.

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Mr. Hamad Salem Mohamed Binloureya Alameri

Position and Committee Memberships

Board Member, Non-Independent/ Executive

Managing Director

Member, Nomination and Remuneration Committee

Member, Investment Committee

Skills, Experience and External Appointments

Eng. Hamad Alameri is the Managing Director and Group CEO of Alpha Dhabi Holding PJSC, one of the fastest growing Abu Dhabi based investment holding companies, with more than 100 businesses spread across healthcare, renewable energy, petrochemical and other industries as well as real estate, construction and hospitality.

Since being appointed Group CEO of Alpha Dhabi in 2021, Eng. Alameri has spearheaded a rapid and comprehensive transformation of the group as a strategic contributor to the UAE economy and is committed to drive continuous growth for its stakeholders through investments in emerging businesses, supporting innovation and diversity.

He has guided Alpha Dhabi through a number of strategic firsts, including the group's IPO on the Abu Dhabi Stock Exchange in June 2021. Since its IPO he has continued to transform the group by leading a multi-billion dollar M&A and Investment strategy which saw the group enter new sectors including Renewable Energy, Petrochemicals and Fintech.

Alpha Dhabi is now one of the top 20 listed companies in the MENA region with a market capitalization of almost USD 70 billion. Under his leadership he has implemented a strategy to increase the geographic reach of the group and in the first year since its IPO overseas revenues increased by over 500%.

External Appointments

Eng. Alameri also holds key positions in other prominent listed and private companies in the UAE including:

- Vice Chairman of National Marine Dredging Company PJSC
- Board Member of Aldar Properties PJSC
- Board Member of OCI Methanol Group
- Chairman, Sandstorm Motor Vehicles Manufacturing LLC
- Board Member, Mawarid Holding
- Board Member, Nshmi Development LLC
- Board Member, Pure Health Holding LLC
- Board member at ADC Acquisition Corporation PJSC Shares

Education

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- Masters in business administration Canadian University, Dubai (2012).
- BSC in Civil Engineering American University in Dubai (2006).

Mr. Sultan Dhahi Alhemeiri

Position and Committee Memberships

Board Member, Independent/Non-Executive

Chairman, Nomination and Remuneration Committee

Chairman, Insider Trading Supervision Committee

Member, Audit Committee

Skills, Experience and External Appointments

With a Bachelor's degree in political science, Sultan Dhahi Sultan Maasam Alhemeiri has held a number of positions in both the public and private sectors. Between 1997 and 2002, he worked in the Protocol and Hospitality Department, and today he's the active Director of the Executive Office of the Ministry of Presidential Affairs, a position he's held since 2002. His contributions in the ministry include a number of important roles on several committees, and his career has extended outside the Ministry of Presidential Affairs, adding to his portfolio of illustrious positions in the UAE.

Ms. Sofia Abdellatif Lasky

Position and Committee Memberships

Board Member, Independent/Non-Executive

Chairperson, Audit Committee

Member, Nomination and Remuneration Committee

Member, Investment Committee

Skills, Experience and External Appointments

Sofia Lasky has been with IHC since April 2020, and brings considerable experience in asset management, mergers and acquisitions, private equity, portfolio management, alternative investments, funds, valuation, financing, capital markets and corporate structuring through her 16-year tenure at Royal Group.

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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. Her contribution towards the growth of companies within the Royal Group has been invaluable.

She holds a Bachelor's Degree in Management Information Technology from the United Kingdom and has held and continues to occupy a position on the Board of Directors of a number of companies, including Alpha Dhabi Holding (ADH). Sofia has also served as a Board Member of Macquarie Capital Middle East LLC.

The Board Secretary

Board Secretary is the point of communication with the Board of Directors and Senior Management and plays a key role in the administration of important corporate governance matters while supporting the Chairman and Board Committees in functioning efficiently.

Ms. Denise Chamoun was appointed as Board Secretary in March 2022. Ms Chamoun has a bachelor's degree from the Lebanese University, she is a Certified Board secretary from Hawkamah and holder of Advanced Corporate Governance Certificate from UK Governance Institute. Ms. Chamoun is also pursuing her studies to become a Chartered Secretary/ Governance Professional from the same Institute.

The responsibilities of the Board Secretary are as follows:

- Documenting Board meetings and preparing their minutes;
- Maintaining the reports submitted to the Board of Directors and the reports prepared by the Board;
- Providing the members of the Board of Directors with the agenda of the meeting of the Board of Directors, papers, documents and relevant-information, and any additional information related to the topics covered in the agenda items requested by any Board member;
- Ensuring the compliance of the members to the procedures approved by the Board of Directors;
- Notifying the members of the Board of Directors of the dates of the Board meetings sufficiently before the date set for the meeting;
- Submitting the draft minutes to the Board members to express their opinions thereon before signing it;
- Ensuring that the members of the Board of Directors receive without delay a copy of the minutes of the Board of Directors' meetings, and the information and documents related to the company;
- Communicating the decisions of the Board of Directors and its committees to the Executive Management of the company and submitting reports on their implementation and application;
- Supporting the Board of Directors' evaluation process; and
- Coordination between members of the Board of Directors and the Executive Management Team in the company.

Board Induction and Development

The Chairman, with the support of the Board Secretary, is responsible for the induction of new directors and the continuing development of directors. All directors receive a tailored induction upon joining the Board, covering their duties and responsibilities as directors. Directors also receive a full briefing on all key areas of the Group's business, and they may request further training as they consider necessary.

Board Effectiveness Evaluation

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The Board and Board committees annually review and self-assess their performance. The Chairman of the Board leads the evaluation of the Board's effectiveness and the individual performance review of each board member. The Board evaluations are externally facilitated by independent consultants at least once every three years to review and make recommendations on any aspect of the Board's activities and performance. Based on the evaluation performed, the Board believes that the Directors and the Board Committees are fully engaged in the oversight and management of ADH, fully discharging their responsibilities towards the shareholders and the Directors are individually discharging their responsibilities as Directors of ADH.

Key focus areas for the Board during 2022

During 2022, the Board of Directors focused and made decisions on various areas as below.

- Group's strategy and implementation;
- Launch of new Energy business vertical;
- Group's loans and debt;
- Annual budget and business plan;
- Acquisitions of various strategic investments (details given in Section 7);
- Updates from the Management on Group performance;
- Corporate Governance practices;
- Updates from Executive Management on key risks including COVID-19 pandemic situation, strategic and operational opportunities resulting in optimizing the overall financial performance of the Group; and
- Compensation of the key management personnel.

The Board of Directors Other Statements

Method of Determining the Remunerations of Board of Directors

The Board of Directors' remuneration shall be determined in accordance with the Articles of Association of the Company, subject to the provisions of Federal Law No. (32)/2021 regarding commercial companies. The remuneration of the members of the Board of Directors is subject to approval of the shareholders at the Annual General Assembly meeting.

The Company may also pay additional expenses or fees or monthly salary to the extent determined by the Board of Directors for any of its members, if this member is working in any Committee, or exerts exceptional efforts or performs additional work to serve the Company, beyond his or her normal duties as a member of the Board. In all cases, Directors' remuneration should not exceed 10% of the net profit after deducting all amortizations and reserves.

Total Remunerations paid/proposed to the Members of Board of Directors in 2022

No remuneration has been paid to the Board of Directors for the year 2021.

AED 10 million remuneration to the Board of Directors has been proposed for the year 2022.

- **Details of the allowances for attending sessions of the committees emanating from the Board, which were received by the Board members for the year 2022.**

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No allowances were paid for attending the meetings of the Board of Directors or the Committees emanating from the Board for the year 2022.

- **Details of the additional allowances, salaries or fees received by a Board member, during the year 2022, other than the allowances for attending the committees and their reasons.**

No allowances, salaries, or additional fees were disbursed during the year 2022.

The Board Meetings

Statement of the number of meetings held by the Board of Directors during the fiscal year. The Board of Directors had convened four meetings during 2022 as follows:

No	Meeting Date	Attendance	Proxy	Absent	Names of Absent Members
1.	March 15, 2022	5	-	-	-
2.	July 28, 2022	5	-	-	-
3.	October 28, 2022	5	-	-	-
4.	December 22, 2022	5	-	-	-

Below details of Board meetings attendance during the year 2022 as follows:

Board of Directors	No. of Absences/ No. of Meetings	First Meeting 15/03/2022	Second Meeting 28/07/2022	Third Meeting 28/10/2022	Fourth Meeting 22/12/2022
H E Mohamed Thani Murshed Ghannam Alrumaithi	-	✔	✔	✔	✔
Mr. Syed Basar Shueb	-	✔	✔	✔	✔
Mr. Hamad Salem Mohamed Binlouteya Alameri	-	✔	✔	✔	✔
Mr. Sultan Dhahi Alhemeiri	-	✔	✔	✔	✔
Ms. Sofia Abdellatif Lasky	-	✔	✔	✔	✔

Summary of Board Resolutions Passed During 2022

a) Resolutions Passed at the Board Meetings

Sr No	Board Meeting Date	Resolutions Passed

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1	15 March 2022	• Approval of the financial statements for the financial year 2021 • Approval to hold the Annual General Assembly on 14 April 2022, subject to regulatory approval. • Recommendation to General Assembly not to distribute any dividends for the financial year ended on 31 December 2021 • Recommendation to the General Assembly not to allocate any remuneration for the members of Board of Directors for the financial year 2021.
2	29 April 2022	Approval of the financial statements by circulation for the period ended 31 March 2022.
3	28 July 2022	Approval of the financial statements for the period ended 30 June 2022.
4	28 October 2022	Approval of the financial statements for the period ended 30 September 2022.
4	22 December 2022	Approvals of Committees Recommendations

b) Other Board Resolutions

Sr No	Resolution Date	Resolutions Passed
1	2 Mar 2022	Authorized Signatories
2	3 Mar 2022	Initial Investment in OCI Clean Fuels Limited.
3	23 Mar 2022	Approval of subscription in the IPO of DEWA.
4	29 Mar 2022	Approval of credit facilities from FAB
5	22 Apr 2022	Approval of loan from ADCB
6	19 May 2022	Approval of Investment in Alpha Wave Ventures II Fund
7	25 May 2022	Approval of subscription in the IPO of Borouge
8	14 Oct 2022	Approval of loans for Trojan Group of companies from Emirates Islamic Bank
9	20 Oct 2022	Approval of loans for Trojan Group of companies from ADCB, CBI and FAB

Board of Directors' Committees

The Four Board Committees assist the Board in discharging its responsibilities. The Committees operate in line with their respective charters which set out their roles, responsibilities, the scope of authority, composition, and procedures for reporting to the Board.

Audit Committee

It is the responsibility of the Committee to provide the board with independent, objective advice on the adequacy of management's arrangements with respect to the following key aspects of the management of the Organization.

Audit Committee Acknowledgment

The Chairperson of the Audit Committee acknowledges responsibility for discharging the Audit Committee's mandate across the Group including review of its work mechanism and ensuring its effectiveness in line with the approved charter of the Audit Committee.

Members of the Audit Committee as of 31 December 2022

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S. No	Name	Title	Category
1	Ms. Sofia Abdellatif Lasky	Chairperson	Non-Executive/Independent
2	Mr. Sultan Dhahi Alhemeiri	Member	Non-Executive/Independent
3	Mr. Syed Basar Shueb	Member	Non-Executive/Independent

Audit Committee Functions

Financial Reporting

- Reviews with the management and the external auditors all significant matters including audit opinions on the quarterly, half-yearly (as applicable) and year-end financial statements and recommend its adoption by the Board;
- Monitors compliance with financial reporting standards and regulatory requirements;
- Reviews significant accounting and reporting issues;
- Reviews the Company's financial and accounting policies and procedures;
- Reviews any management letter from the external auditors and ensures corrective actions by executive management; and
- Reviews any related party transactions and reviews compliance with such rules for the conduct and approval of such transactions.

Corporate Governance

- Oversees and monitors the implementation of the corporate governance framework within ADH and ensures compliance to the regulatory requirements;
- Reviews the Company's procedures by which employees, vendors/ contractors may, in confidence, raises concerns about improprieties in matters of financial reporting or other matters. The Committee shall ensure that these arrangements allow independent investigation of such matters and appropriate follow-up action; and
- Reviews and recommends to the Board, the Annual Governance Report submitted to the regulatory authorities.

Internal Control and Risk Management

- Monitors the risks that the Company may face and provides guidance to management, as needed;
- Reviews adequacy and monitors effectiveness of the risk management policy by evaluating the risk management processes and systems. The purpose of such processes and systems is to determine, report and manage key risks of a strategic and commercial nature;
- Requires periodic progress reports from management on the implementation of risk management controls, mitigation strategies and action plans, and determines whether they are adequate and make recommendations to the Board as appropriate;
- Ensures an annual review of internal control system is performed to determine the overall adequacy and effectiveness of ADH's Internal Control System; and
- Ensures that resources are available for internal control functions and reviews/monitors the effectiveness of the function.

External Audit

- Oversees and makes recommendation on the appointment of external auditors to the Board, their fees, and any questions relating to their resignation or removal;
- Approves their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit;

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- Assesses annually their independence and objectivity considering relevant professional and regulatory requirements and the relationship with the auditor, including the provision of any non-audit services;
- Meets regularly with the statutory auditor to discuss the auditor's remit and any issues arising from the audits;
- Evaluates on an annual basis the external auditor's qualifications, performance and independence; and
- Ensures that Senior Management is taking necessary corrective actions to address the findings and recommendations of statutory auditors in a timely manner.

Group Internal Audit

- Reviews and approves the Internal Audit Charter;
- Reviews and approves audit plans, budget, staffing, and organisational structure of the Internal Audit Function and related Internal Control activities;
- Reviews the appointment, resignation or dismissal of the internal audit staff and the internal audit service provider, in case of an outsourced service provider;
- Reviews all reports submitted to the Committee by the Internal Audit Function and monitors management response and action to the findings and recommendations. Ensures that control weaknesses, non-compliance with policies, laws and regulations and other problems identified by internal auditors are adequately and timely addressed by Executive Management.
- Reviews performance of the Internal Audit Function/Outsourced Internal Audit service provider (as applicable) and evaluates its performance on an annual basis; and
- Reports to the Board all matters presented to the Audit Committee by virtue of the delegation.

Compliance Monitoring

- Monitors the status of ADH's compliance with applicable laws, regulations and agreements; and
- Reviews the related parties' transactions with the Company and ensures that there is no conflict of interest and recommends them to the Board of Directors before their conclusion.

Audit Committee Meetings During the Year 2022

Audit Committee Members	No. of absences/ No. of Meetings	First Meeting 25/02/2022	Second Meeting 20/04/2022	Third Meeting 28/04/2022	Fourth Meeting 28/07/2022	Fifth Meeting 27/10/2022
Ms. Sofia Abdellatif Lasky	-	✔	✔	✔	✔	✔
Mr. Sultan Dhahi Alhemeiri	-	✔	✔	✔	✔	✔
Mr. Syed Basar Shueb	1	✔	✔	-	✔	✔

Nomination and Remuneration Committee

Nomination and Remuneration Committee Acknowledgment

The Chairman of the Nomination and Remuneration Committee, acknowledges responsibility for discharging the Nomination and Remuneration Committee's mandate across the Group, review of its work mechanism and ensuring its effectiveness in line with the approved charter of the Nomination and Remuneration Committee.

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Members of Nomination and Remuneration Committee as of 31/12/2022

Sr. No	Name	Title	Category
1	Mr. Sultan Dhahi Sultan Maasam Alhemeiri	Chairman	Non-Executive/Independent
2	Mr. Hamad Salem Mohamed Binlouteya Alameri	Member	Non – Independent / Executive
3	Ms. Sofia Abdellatif Lasky	Member	Non-Executive/Independent

Committee Functions

- Propose policies and criteria for membership in the Board and Senior Management. The policy shall consider gender diversity encouraging active participation of women.
- Annually review the required needs of skills for Board membership and prepare description of qualification and abilities required for Board membership.
- Identify individuals qualified to become Board members, consistent with criteria approved by the Board, and to recommend to the Board the director nominees for the next annual meeting of shareholders.
- Regularly review the structure, size, and composition (including the skills, knowledge, and experience) required of the Board compared to its current position and make recommendations to the Board with regard to any changes.
- Continuously ensure that independent Directors remain independent throughout the term of their office.
- If the Committee finds that a member lacks the conditions of independence, it shall submit the matter to the Board to notify the member by a registered letter to his address known to the company about the grounds of lacking independence. The member shall reply to the Board within fifteen days from the notice date. The Board shall issue a decision that the member is independent or not independent at the first meeting following the member reply or expiration of the period referred to in the preceding paragraph without reply.
- Subject to the provisions of Article (145) of the Companies Law, if the decision of the Board regarding lacking reasons or justifications for the member independence affects the minimum percentage of its independent members, the Board shall appoint an independent member to replace this member if he submitted its resignation due to lack of independency. If the member refuses to resign, the Board shall present the matter to the general assembly for a decision to approve the appointment of another member or to open the door for candidacy for electing a new member.
- Conduct an annual evaluation of Board performance and the performance of Board members and Committees to determine ways to strengthen its effectiveness.
- Identify the competencies required for Senior Management and the basis of selecting them.
- Consider succession planning for Directors and other senior executives in the course of its work, considering the challenges and opportunities facing the Group, and what skills and expertise are therefore needed on the Board in the future.
- Formulate and carry out and annual review of policies on granting remunerations, benefits, incentives and salaries to Board members and employees of the Group.
- Ensure linking the remunerations and bonuses, including the other deferred options and remunerations and benefits offered to Senior Management in the performance of the company in the medium and long term
- Annually review executive compensation trends and policies at peer groups of companies and make relevant modifications to its own policies and practices to consider market practice.
- Oversee any major changes in employee benefit structures throughout the Group.
- Develop, recommend, and review annually the Group's human resources and training policies and monitor the implementation of the same.

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Committee Meetings During the Year 2022

Member of the Committee	No. of absences/ No. of Meetings	Meeting Date 08/12/2022
Mr. Sultan Dhahi Sultan Maasam Alhemeiri	-	✔
Mr. Hamad Salem Mohamed Binlouteya Alameri	-	✔
Ms. Sofia Abdellatif Lasky	-	✔

Insider Trading Supervision Committee

The Board of Directors has formed a committee to manage, follow up and observe the transactions of insiders, maintain their register, and submit statements and periodic reports to the market.

Insider Trading Supervision Committee Acknowledgement

The Chairman of the Insiders Trading Supervision Committee acknowledges responsibility for the committee system in the Company, reviews of its work mechanism and ensures its effectiveness.

Members of the Insider Trading Supervision Committee as of 31/12/2022

No.	Member Name	Committee Position	Position according to Organizational Chart
1.	Mr. Sultan Dhahi Alhemeiri	Committee Chairman	Board Member
2.	Mr. Khalil Ahmed Khan	Member	Compliance Manager
3.	Ms. Basma Bouazzi *	Member	Legal Counsel

* replaced the former Legal Counsel

Committee Functions

- Provides guidance to the Board and Senior Management on insider trading;
- Monitors compliance with the Insider Trading rules and initiate disciplinary actions for non-compliance;
- Maintains an Insiders Register (both permanent and temporary insiders) and submits the register to ADX on a periodical basis. The register shall include necessary data of the insiders, the number of securities traded in the sale and purchase during the year, the dates of execution of trading operations, and other relevant data;
- Provides effective communication to ADX/SCA regarding closed periods, temporary suspension of trading and insider trading;
- Carries out such additional duties related or incidental to the foregoing as may be requested by the Board from time to time regarding matters related to insider trading; and
- Reports to the Board on an annual basis on compliance with the policy and regulatory requirements, exceptions noted, and actions taken to address the exceptions.

Committee Meetings During the Year 2022

No.	Member Name	Position in the Committee	Position according to Organizational Chart	Meeting date 15/06/2022

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1.	Mr. Sultan Dhahi Alhemeiri	Committee Chairman	Board Member	✔
2.	Mr. Khalil Ahmed Khan	Member	Compliance Manager	✔
3.	Mr. Adel Al Omari	Member *	General Counsel	✔

* resigned subsequently from the Company

Investment Committee

The Investment committee was formed to assist the Board in the investment related decisions within and outside UAE considering active investment strategy adopted and pursued by ADH Board.

Members of the Investment Committee as of 31/12/2022

No.	Member Name	Committee Position	Position according to Organizational Chart
1.	Mr. Syed Basar Shueb	Committee Chairman	Vice Chairman – Board of Directors
2.	Mr. Hamad Salem Mohamed Binlouteya Alameri	Member	Managing Director & CEO
3.	Ms. Sofia Abdellatif Lasky	Member	Member – Board of Directors

Committee Functions

- Approves Investment policies and procedures and the Investment Committee Charter;
- Reviews and recommend to the Board of Directors for its approval and overall investment strategy, investment allocation framework / methodology and implementation approach for the investment activities;
- Reviews, on a periodic basis, of company's investment performance against the criteria set forth in the framework and implementation approach;
- Reviews and recommends to the Board of Directors for its approval Investment opportunities, acquisitions, joint ventures are exits; and
- Selects monitors and replaces third party advisors and consultants for the investment activities.

S. No	Member Name	No. of absences/ No. of Meetings	First Meeting 14/062022	Second Meeting 15/08/2022	Third Meeting 28/10/2022	Fourth Meeting 20/12/2022
1.	Mr. Syed Basar Shueb	1	✔	✔	✔	-
2.	Mr. Hamad Salem Mohamed Binlouteya Alameri	-	✔	✔	✔	✔
3.	Ms. Sofia Abdellatif Lasky	-	✔	✔	✔	✔

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Executive Management

Executive Management Profile

Mr. Hamad Salem Mohamed Binlouteya Alameri, Managing Director

Eng. Hamad holds a BSc. in Civil Engineering from the American University of Dubai and a Masters Degree in Business Administration from the Canadian University.

Eng. Hamad Alameri is the Managing Director and Group CEO of Alpha Dhabi Holding PJSC, one of the fastest growing Abu Dhabi based investment holding companies, with more than 100 businesses spread across healthcare, renewable energy, petrochemical and other industries as well as real estate, construction and hospitality.

Since being appointed Group CEO of Alpha Dhabi in 2021, Eng. Alameri has spearheaded a rapid and comprehensive transformation of the group as a strategic contributor to the UAE economy and is committed to drive continuous growth for its stakeholders through investments in emerging businesses, supporting innovation and diversity.

He has guided Alpha Dhabi through a number of strategic firsts, including the group's IPO on the Abu Dhabi Stock Exchange in June 2021. Since its IPO he has continued to transform the group by leading a multi-billion dollar M&A and Investment strategy which saw the group enter new sectors including Renewable Energy, Petrochemicals and Fintech.

Alpha Dhabi is now one of the top 20 listed companies in the MENA region with a market capitalization of almost USD 70 billion. Under his leadership he has implemented a strategy to increase the geographic reach of the group and in the first year since its IPO overseas revenues increased by over 500%.

Kashif Shamsi, Group Chief Financial Officer

Joining Alpha Dhabi Holding in 2021, Kashif Shamsi is a highly experienced Chartered Accountant who has been leading and managing major institutions during an illustrious career spanning over 25 years with some of the region's leading companies, including Etisalat (e&), Aldar and MTN Group, in a wide range of engagements across the GCC. Kashif began his career with PricewaterhouseCoopers in 1995, working in Audit, Corporate Finance, Taxation, Legal Services, and Mergers and Acquisitions, as well as training the next generation of graduates during his 13-year career with PwC.

In 2008, Kashif worked at Tamouh Investments LLC, one of the largest master developers in the UAE, as Group Chief Financial Officer. In this role he oversaw the critical functions of finance, legal affairs, information technology and ERP systems. He was also responsible for all major investment and commercial transactions as he navigated the group through the economic challenges of recent times. Kashif has also worked with Select Group, a major developer based in Dubai with investments and operations across the UK and Europe, as well as in its home base in Dubai.

In addition to his Accounting Degrees, Kashif has completed a number of courses from London Business School. He is a member of the Board of Directors of Mawarid Holding Investment.

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Mohammad Yaser Bader, Group Financial Controller

A graduate of Philadelphia University Jordan, Mohammad Yaser began his career as a Finance and Accounting specialist in 2005, working on finance, accounting, mergers & acquisitions, investments, and financial management strategies. Today, he is a Certified Management Accountant and Internal Auditor with impeccable management experience garnered during a career approaching 17 years with leading organizations in the region.

Since joining the International Holding Company (IHC) in 2011, he has been accountable for corporate finance functions and accounting, aiding top management, and devising financial plans for leading organizations in the UAE.

Derek Nicholson, Director Strategy & Planning

A qualified accountant who has also completed courses at INSEAD and Harvard Business School, Derek Nicholson has over 27 years of experience, 11 of which have been in the Middle East, with expertise gained in multiple business sectors, including investment banking, oil & gas, real estate, and healthcare. As the Director of Strategy & Planning at Alpha Dhabi Holding, he leads the group's research to identify diversification opportunities into new sectors and countries, in addition to driving strategic growth across Alpha Dhabi's existing portfolio.

During his long career, Derek has led multiple mergers and acquisitions, investment, and divestment transactions across all stages of the business cycle. Previous roles include a position at Barclays and Standard Life Investments (now ABRDN), as well as a large private conglomerate in the UAE.

Khalil Massoud, Director Investments

Holding a Master's in accounting and finance from the London School of Economics and a Bachelor's in business administration from the American University of Beirut, Khalil is a seasoned executive with over 19 years of experience and a demonstrated track record in Mergers & Acquisitions (M&A), capital markets, private equity, and the investment management industry in the MENA region.

At Alpha Dhabi Holding, Khalil heads the Investments Division and is responsible for originating and executing investment opportunities for the group, in addition to supporting portfolio companies in their M&A activities. In addition, Mr. Massoud is also responsible to manage the existing portfolio and serves on several committees and boards representing the company's interests. Prior to joining FH Capital, Mr. Massoud spent over 14 years at The National Investor PJSC (TNI), most recently as Director – Merchant Banking. During his time at TNI, Mr. Massoud gained a varied experience in private equity and investment banking, across most sectors in the MENA region, in addition to working on some of the UAE landmark IPOs.

Some of the board positions he has held include companies such as NAS United Healthcare Services, Finance House Securities, and Grako.

Iman Khalid Al Marzouqi, Head of Support Services

Iman Almarzouqi brings more than twenty years of experience in various fields related to management, development of operations and strategic planning in the private and semi-governmental sectors in the UAE, with knowledge and experience in the fields of leadership, support functions operations, human and administrative resources in the GCC, UK and USA. She is responsible for developing and presenting strategies that includes service synergy for the group's companies.

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She holds a bachelor's degree in Law from Abu Dhabi University and has passed the entrance exam at the Federal Judicial Institute. She is currently pursuing a master's degree in Administrative Law from Zayed University in addition to a BBA from the American International University in California, an MBA in Project Management and SHRM certification.

Prior to joining ADH, Iman held several leadership positions, including the Acting Chief Executive Officer of Human and Administrative Resources and Training Center at Abu Dhabi Airports. She was also the Group Manager for Performance Development at Agthia Holding, where she led the first UAE national's technician program in Al Ain Water and Grand Mills factories. Iman also worked as Director of Support Services at Tabreed, a subsidiary of the Mubadala Group of Companies for five years in the UAE, Oman, Egypt and KSA.

She began her career at Schlumberger Middle East where she was responsible for the recruitment of graduate engineers and technicians and for the coordination and follow-up of their training in the Middle East, appointing the first batch of Emirati female engineers working in the oil fields in the Sultanate of Oman.

Basma Bouazzi, Legal Counsel

Basma Bouazzi joined Alpha Dhabi in October 2022, and acts as a general lawyer, handling all legal matters within the organization and working closely with external lawyers. She oversees all corporate legal processes. Basma is an experienced Legal Counsel with over 20 years of progressive legal and compliance experience in the UAE, including corporate, licensing, litigation, due diligence, IP issues, trademark, copyright, AML, and all related Legal and Compliance matters.

Prior to joining Alpha Dhabi, Basma held the VP Legal and Compliance position at The National Investor PJSC, based in Abu Dhabi, and during her tenure there was responsible for all legal, compliance and investor relations matters, serving as the Board of Directors' Secretary. Basma has also worked for the Al Fahim Group as in-house Senior Legal Counsel, and for Clyde & Co., one of the largest international law firms in the Middle East.

In addition to holding a Bachelor's Degree in Private Law, Basma has completed a range of courses from the CCL Academy

Samy Ben Jaafar, Director Risk & Sustainability

Samy heads the Group's Sustainability and Risk functions. He has 25 years of experience in impact and ESG investing, CSR and banking; with assignments in Europe, the Middle East, Africa and East Asia.

Samy has successfully launched three financial institutions as inaugural CEO and Director, including the Dubai Green Fund and the United Nations' US$ 10 billion Green Climate Fund in South Korea. Prior to joining Alpha Dhabi, Samy was working on the launch of a green digital bank in France. He started his career at Citibank New York and served as Maghreb Corporate & Investment Bank Head; Asia Pacific & Middle East Region Director for Investment Finance; and CSR officer.

Total salaries, allowances & bonuses paid to the Executive Management during the year 2022 are as follows;

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Sr No	Position	Appointment date	Total salaries and allowances paid for 2022 (AED)	Total bonuses paid for 2022 (AED)
1	Managing Director	01-Mar-21	2,168,000	-
2	Group Chief Financial Officer	01-Jan-22	1,739,489	-
3	Strategy and Planning Director	31-Jan-22	1,146,843	-
4	Investments Director	14-Mar-22	976,843	-
5	Group Shared Services Director	01-Mar-21	1,062,900	-
6	Risk and Compliance Director	07-Nov-22	200,903	-
7	CEO of Sandstorm	01-Jul-21	826,200	68,000
8	CEO of EGSS	01-Jul-21	914,000	2,800,000

Related Parties Transactions

Summary of transactions with related parties amounting to 5% or more of Company's capital for the year 2022

The Company has entered into transactions with companies and entities that fall within the definition of a related party under the Corporate Governance Code or the International Accounting Standards 24: Related Party Disclosures. The nature of such transactions relate to the Company's normal course of business and details of such transactions are disclosed in the Company's 2022 audited financial statements.

The Company did not have transactions with any related parties amounting to 5% or more of Company's capital for the year 2022.

Risk Management and Internal Control System

The Board of Directors acknowledges its responsibility for the Company's risk management and internal control system and its review and effectiveness.

Risk Management

Risk Management is the responsibility of the Board and is integral to the achievement of our strategic objectives. The Board is responsible for establishing the system of risk management, setting the risk appetite of the Group and for maintaining a sound internal control system. The Audit Committee and the Audit Committees of Business Units listed in the financial markets oversee the risk management process and assesses the effectiveness of risk management within the Group and / or the Business Units (wherever applicable).

As the Group's business is structured into 6 verticals based on sectors / industries and operating businesses, the risk management responsibility and accountability, therefore, vests largely with vertical management / business unit management structures. Any risk taken is considered within the Group's risk appetite and tolerance levels, which are reviewed annually by the Board or Business Unit's Board (wherever applicable).

The risk assessment process identifies areas of opportunity as well whereby effective risk management can be turned into a competitive advantage, or where taking certain risks could result in reward for the Group. During the year the Company made strategic investments in key sectors especially in healthcare sector thereby enhancing the financial performance for 2022.

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The Group also ensures a comprehensive insurance coverage exists and addresses material financial consequences arising out of potential risk events.

Internal Control System

The Board is responsible for establishing and maintaining an effective system of internal control to assess the methods and procedures of risk management, ensure proper application of the Governance Code, comply with applicable laws and regulations and internal policies, and review the financial information used in the preparation of the Company's financial statements. This system of internal control is embedded in all key operations and is designed to provide reasonable assurance that the Group's business objectives will be achieved. The Audit and Committee reviews the effectiveness of the system of internal controls in accordance with its remit.

The Board of Directors' Acknowledgement of its Responsibility for the Internal Control System and its review and effectiveness

The Board of Directors acknowledges its responsibility for the Company's internal control system and its review and effectiveness.

Internal Control Function- Profile

Mr. Khalil Ahmed Khan has assumed the role of Internal Control and Compliance Officer performing the duties relating to internal control in addition to the duties of compliance. Khalil holds an MBA degree in commerce in addition to other professional certifications (CPA) and has more than 15 years of experience in accounting and internal auditing with the offices of certified auditors, commercial companies and contracting companies. He has been with the Company since 2017.

In order to adapt to the changing needs of the organisation and to enhance assurance over internal controls and risk management, the Company has outsourced the internal audit function during the year 2022. Internal audit activities are performed by global consulting firm Protiviti, reporting functionally to the Audit Committee.

Protiviti (www.protiviti.com) is a reputable firm that has been operating in the region for a number of years, with particular experience in internal audit services. Protiviti and its independent, locally owned member firms also provide consulting and managed solutions in finance, technology, risk and internal audit through its network of offices. Protiviti is a wholly owned subsidiary of Robert Half, which was founded in 1948, and is a member of the S&P 500 index.

Protiviti member firm, presence in the Middle East Region

Protiviti has strong presence in Middle East Region with offices across Abu Dhabi, Bahrain, Dubai, Egypt, Kuwait, Oman, Qatar and Saudi Arabia. They work with 70% of the top 100 GCC companies in terms of their market capitalization. Protiviti employs over 600 employees in the region with the large pool of skilled and qualified professionals. They are also the largest employer of risk advisory and internal audit professionals.

The outsourced internal audit function governs itself by adherence to the institute of internal auditors' mandatory guidance including the definition of internal auditing, the code of ethics, and the international standards for the professional practice of internal auditing (Standards).

Considering regulatory requirements and the nature of business complexities, some of the Business Units namely NMDC, Response Plus Holding, Pure Health Holding have setup independent internal control function within the respective units reporting to their respective Audit Committee and / or Board.

Working Mechanism of the Internal Control Function

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The internal control function is established by the Board of Directors, supported by the Audit Committee. The department's responsibilities are defined by the Audit Committee as part of their oversight role.

The duties and responsibilities of the internal control department will be to provide timely feedback to the Audit Committee on matters relating to:

- Reliability and integrity of financial and operating reports;
- Effectiveness and efficiency of operations;
- Safeguarding of assets; and
- Compliance with laws, regulations, directives, and contractual obligations.

The in-house and the outsourced internal audit functions are responsible for independent, objective assurance, to systematically evaluate and propose improvements for more effective governance, internal control and risk management processes. The process of internal control and risk management has been developed to provide reasonable assurance that the Group's goals are met in terms of efficient operations, compliance with relevant laws and regulations and reliable financial reporting. Internal audit assignments are conducted according to a risk-based plan developed annually, reviewed periodically, and approved by the Audit Committee.

The audit plan is derived from an independent risk assessment conducted by the outsourced Internal Audit team to identify and evaluate risks associated with the execution of the company strategy, operations, and processes. The plan is designed to address the most significant risks identified within the Group and its business areas. The audits are executed using a methodology for evaluating the design and effectiveness of internal controls to ensure that risks are adequately addressed, and processes are operated efficiently. Opportunities for improving the efficiency in the governance, internal control and risk management processes identified in the internal audits are reported to responsible business unit management for action. A summary of audit results is provided to the Audit Committee, as is the status of management's implementation of agreed actions to address findings identified in the audits.

The Annual Review Includes the Following Components in Particular

- Key control elements including financial control, operations and risk management;
- Changes since the last annual review on the nature and extent of the major risks and the Company's ability to respond to changes in its business and external environment;
- The scope and quality of the Board's ongoing control of risks, the internal control system and the internal auditor's work;
- The number of times the Board of Directors or its committees have been informed about audit work results to enable it to assess the internal control position of the Company and the effectiveness of risk management;
- Failures or weaknesses in the detected control system or unexpected contingencies which have affected or may have a material impact on the performance or financial position of the Company;
- The effectiveness of the Company's financial reporting and compliance with listing and disclosure rules;

Number of Reports Issued by Internal Control Function

During the year 2022, 122 reports were issued by the internal control functions within the Group. No significant operational internal control failures were identified. However, process level improvements were identified and accepted by management for implementation towards the continuous improvement of internal controls of the Group.

External Auditor

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Brief About the Company's External Auditor

Deloitte & Touche (M.E.) LLP ("Deloitte") was appointed as the company's external auditor for the fiscal year 2021, and Mr. Mohammad Khamees Al Tah is the Engagement Partner. Deloitte is the affiliate for the territories of the Middle East and Cyprus of Deloitte NSE LLP, a UK Limited Liability partnership and member firm of Deloitte Touche Tohmatsu Limited. Deloitte is a leading professional services firm established in the Middle East region since 1926 and provides Audit and Assurance, Consulting, Financial Advisory, Risk Advisory and Tax services through 26 offices in 14 countries.

The scope of the audit for the financial year 2022 is as follows:

1. Provides an audit opinion on the annual consolidated financial statements in accordance with International Financial Reporting Standards;

2. Provides an audit opinion on the financial statements of ADH and its subsidiaries of the company in accordance with International Financial Reporting Standards; and

3. Provides a review of quarterly interim condensed consolidated financial statements in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

External audit fees, Services & Costs

Below are the details and breakdowns of the external audit costs paid during 2022

- The external audit services fees of Deloitte & Touche (M.E.) for 2022 amounted to **AED 925,000.** These fees are against annual audit and interim review of financial statements of ADH and subsidiaries.
- The fees for services, which were delivered to the Company in 2022 by other Audit firms, other than the Company's auditors, amounted to AED 8,460,759. These fees were against advisory services particularly outsourced internal audit Services, Purchase Price Allocation and Due Diligence Services (Financial and Legal) for various acquisitions by ADH, Corporate Governance services and Sustainability reporting services. The firms, which delivered these services were as follows:
    - Protiviti Middle East
    - KPMG Lower Gulf Limited
    - ESG Integrate
    - Rubikz Consulting FZCO
    - PWC
    - Acquara Management Consultant
    - Ardent Advisory and Accounting
    - BDO India
    - Freshfields Bruckhaus Deringer
    - Hadef & Partners
    - Quick Accounting and Advisory

External Auditor's opinion on the financial statements

The Company's external auditor did not have any reservations to any item of the interim and annual financial statements during 2022.

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Violations Committed by the Group during the year 2022

During the year 2022, the Group was not subject to any material fines or penalties imposed by SCA or any statutory authority on any matter related to capital markets. Additionally, there have been no cases of material non-compliance with any applicable rules and regulations.

Corporate Social Responsibility (CSR) initiatives

Al Dar Properties support of Sadooq Al Watan

One of Aldar's most valued CSR partnerships is with the UAE's national fund Sandooq Al Watan. The programme empowers Emirati youth through crucial technical and life skills, educational and environmental initiatives, sustainable development research, and entrepreneurial skill development workshops to positively contribute to community growth and the national economy. Aldar has pledged AED15 million to Sandooq Al Watan, which totals the fund's investment amount to AED150 million. Aldar's additional Sandooq Al Watan's initiatives include:

- UAE Coder is a programme teaching Emirati students advanced skills in mathematics and science to enable handling of subjects like robotics and AI;
- The Mawhibatna initiative partners with Crimson Education to help Emirati students get admission to the world's top 100 universities;
- The Emirati Innovator programme supports entrepreneurship and innovation in technology to enable Emirati businesses to compete in global markets; and
- The SWARD programme funds research projects in aerospace and defence, water management, healthcare, genomics, and technologically enabled industries.

Sustainability initiatives

ADH is conscious of responsibility towards communities, economy, and the environment. ESG is a form of self-governance that reflects accountability and commitment to all stakeholders. It's also a way to stay relevant to customers, employees, and investors to retain the best talent pool and orient the organisation towards overall success. In this regard, ADH is mindful of its role at a Holding and Subsidiary level. Community, social, and environmental initiatives are oriented toward adding value and giving back. ADH has hired an external firm to prepare the sustainability report for 2022 and the report can be accessed as part of ADH's Integrated report.

Below is an overview of the initiatives carried out in 2022 and their positive impacts across ADH as a group and its subsidiaries.

Community Initiatives - At the Holding level:

- Empowerment through Emiratisation

ADH is committed to creating opportunities and value for the local Emirati economy. As an organisation, we support businesses that uplift locals and provide avenues for growth and progression. We believe this enables newer generations of Emiratis to contribute positively to society. In that regard, ADH and its subsidiaries Pure Health and Al Dar Properties are key participants of the UAE's Nafis Program – a federal initiative designed to set up a talented and experienced base of Emirati workers across all business fields and sectors of economy. In 2022, ADH offered 360 jobs to UAE nationals across all its subsidiaries.

- Supporting local procurement

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ADH encourages an organisation-wide holistic approach to procurement. Developing an Emirati talent pool and using local vendors to optimise proximity helps us build stronger local relationships, streamline deliveries, and reduce our carbon footprint. It also enables us to create long-term value by reducing emissions and cutting costs. In 2022, 93% of suppliers were local, and 93% of total procurement was spent on local suppliers.

Community Initiatives - At the Subsidiaries Level:

- Pure Health – Partnership with Hayat

In 2022, Pure Health initiated a partnership with the Abu Dhabi National Organ Donation & Transplant Program "Hayat" to increase community awareness, enhance voluntary donations, and strengthen the organ donations and transplant value chain. The Abu Dhabi Department of Health (DoH) and Pure Health signed an MoU that underscored Pure Health's commitment to improving the quality of life of patients suffering from organ failure. Under the MoU, Pure Health, under the supervision of DoH, will streamline and manage all logistical operations related to organ donation and transplantation in Abu Dhabi.

Environmental & Social Initiatives

Environmental Initiatives - At the Holding level

As a leading investor in core sectors of the UAE economy, ADH embraces its responsibility to the environment. Managing and reducing the group's collective greenhouse gases and carbon emissions is a guiding mission of ADH's environmental sustainability strategy. We prioritise the protection of the UAE's natural ecosystems and work in conjunction with global efforts to mitigate climate change.

ADH's subsidiaries' environmental management strategies contribute towards minimising the group's ecological footprint. Key subsidiaries, such as Trojan Construction Group, National Marine Dredging Company, and Aldar Properties, base operations around use-specific, standardised Environmental Management Systems (EMS) to achieve group-wide carbon reduction targets by accurately measuring and tracking emissions. Last year, ADH calculated the group's consolidated carbon footprint by accurately computing emission levels for each subsidiary.

Another initiative to reduce our environmental footprint targeted subsidiary-wide digitalisation of internal processes to eliminate paper use. In 2022, Trojan Construction Group (TGC and NPC) digitised 20% of all paper documents and records, Pure Health and Aldar rolled out company-wide paper consumption reduction plans.

Environmental Initiatives - At the Subsidiary level

- Aldar Properties' Net Zero Plan

As one of the largest real estate developers in the UAE, Aldar Properties delivered further on its earlier goal of carbon neutrality by committing to UAE's pledge of achieving Net Zero emissions. By setting science-aligned 2030 and Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions reduction targets, Aldar underscores its commitment to mitigating the negative effects of climate change.

- Mawarid – Forest Management

As a core tenet of its ESG commitments, Mawarid has pledged to taking care of the UAE environment through responsible forest management. Mawarid and its subsidiaries manage over 438 forests and protected areas spanning 200,000 hectares of land in Abu Dhabi. The group

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collectively maintains over a million square meters of green areas across the UAE, conserving over 13 million tree species. Operating as carbon sinks, Mawarid-managed forests offset an estimated 346,674 million tonnes of carbon dioxide yearly.

Social Initiatives - At the **Holding level**

- Gender Diversity

ADH makes conscious efforts towards diversity and inclusion as precursors to company-wide success. The organisation focuses on female empowerment and ensures increased female representation at all levels. Despite operating in heavily male-dominated sectors such as construction and dredging, in 2022, the female percentage across the group increased from 3.14% to 10.49%.

Social Initiatives - At the **Subsidiaries level**

- Role of Women at **Pure Health**

Over the years, Pure Health has undertaken great efforts to ensure a safe working environment for women. The organisation also provides female employees with incentives, career-building opportunities, and leadership roles. As a result of these efforts, today, women form 52% of the company and fill 54% of leadership roles.

Share Holding and Share Price Information

Share Price

The following table presents the company's highest and lowest share price at the end of each month during the year 2022 and share performance against market index and sector index as of 31st December 2022:

Share Price (AED)						Share Performance		
Month	**High**	**Low**	**Closing price**	**Market Index**	**Industrial Index**	**Absolute**	**VS Market**	**Vs Sector**
January	26.24	24.96	25.80	8,704.26	3,689.46	-1.7%	-4.2%	-0.2%
February	27.50	26.50	27.22	9,319.40	3,741.24	5.5%	-1.6%	4.1%
March	27.50	26.86	27.36	9,948.78	3,807.33	0.5%	-6.2%	-1.3%
April	27.52	26.76	27.08	10,081.35	4,124.33	-1.0%	-2.4%	-9.3%
May	27.38	25.00	25.60	10,054.87	3,948.59	-5.5%	-5.2%	-1.2%
June	27.36	24.14	27.36	9,374.70	4,093.96	6.9%	13.6%	3.2%
July	26.48	23.86	24.70	9,663.47	3,859.85	-9.7%	-12.8%	-4.0%
August	24.90	23.98	24.40	9,874.51	3,781.12	-1.2%	-3.4%	0.8%
September	26.88	24.42	24.50	9,750.82	3,756.52	0.4%	1.7%	1.1%
October	25.48	24.00	24.50	10,412.25	3,805.27	0.0%	-6.8%	-1.3%
November	28.98	24.50	27.00	10,552.37	4,064.80	10.2%	8.9%	3.4%
December	27.32	25.82	27.08	10,211.09	4,028.64	0.3%	3.5%	1.2%
Overall Performance During 2022	**28.98**	**23.86**	**27.08**	**10,211.09**	**4,028.64**	3.2%	**-17.1%**	**-4.4%**

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Company's share price performance during the year 2022



Performance of the company's shares, compared with the ADX index and ADX Industrial index during the year 2022



Share Price Performance vs.	31-01-2022	28-02-2022	31-03-2022	29-04-2022	31-05-2022	30-06-2022	29-07-2022	31-08-2022	30-09-2022	31-10-2022	30-11-2022	30-12-2022

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(all rebased to 100)												
Alpha Dhabi share price	98.3	103.7	104.3	103.2	97.6	104.3	94.1	93.0	93.4	93.4	102.9	103.2
ADX	102.5	109.8	117.2	118.8	118.5	110.4	113.8	116.3	114.9	122.7	124.3	120.3
ADX Industrial Index	98.6	100.0	101.7	110.2	105.5	109.4	103.1	101.0	100.4	101.7	108.6	107.6

Description	Individuals	Companies	Governments	Total
UAE	107,876,238	9,799,924,353	-	9,907,800,591
Arab Countries	3,596,241	-	-	3,596,241
GCC	684,561	1,420,972	-	2,105,533
Foreign	5,573,637	80,923,998	-	86,497,635
Total	117,730,677	9,882,269,323	-	10,000,000,000

Statement of Shareholders Ownership 5% or More

Name of Shareholders	Shareholders Share %
IHC Capital Holding LLC	76%
West Investment SPV restricted limited	10%
Total	86%

Shareholders Ownership Distribution

Ownership of Shares	Number of shares held	Number of shareholders	Ownership %
Less than 50,000	8,112,009	1,209	0.08%
From 50,000- Less than 500,000	32,835,446	202	0.33%
From 500,000- Less than 5,000,000	95,478,759	71	0.95%
More than 5,000,000	9,863,573,786	24	98.64%
Total	10,000,000,000	1,506	100.00%

Investor Relations Affairs

The Board is committed to communicating its strategy and activities clearly to its investors and maintains an active dialogue with investors through various Investor Relations activities. ADH regularly announces its results to SCA, ADX and shareholders by way of interim management statements, quarterly results, and the annual report and annual financial statements. Significant matters relating to ADH, and Group entities are disclosed to SCA, ADX and general public by way of market disclosures and announcements in accordance with the related provisions of applicable laws and regulations, in addition to press releases and postings on the Group's website. Contact with investors is largely managed by the Investor Relations team.

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A special investor relations page has been created on the company's website to be constantly updated and maintained in line with international standards, including Investor Relations Department data and contact information such as, a dedicated phone number and e-mail, providing all reports on financial results whether recorded or published , Financial year data, including the dates of publication of financial results data, minutes of meetings of the General Assemblies, and any other important events.

Ms Archana Koka has been appointed as The Investor Relations Officer. She holds the following qualifications:

- Holds MBA in finance and Master's degree in accounting from USA.
- CIRO certified from IR Society UK.
- Aware of the relevant legal and legislative requirements.
- Has full knowledge of the company's activities and opportunities.
- Has the ability to use different channels of communication and has the skills to communicate with investors in securities.

Information and data disclosed to regulators, markets or the public are posted on the company's website at the following link:

https://alphadhabi.com/#investor

Contact details for Investor Relations Officer,

Ms Archana Koka

Address:
Alpha Dhabi Holding PJSC
Office 1003, Level 10,
TwoFour54 Building
Adjacent Park Rotana Hotel
PO Box 111059, Abu Dhabi
United Arab Emirates
www.alphadhabi.com
Email: IR@alphadhabi.com

Special Resolutions Passed

A – Special Resolutions passed by ADH at the General Assembly Held During 2022

No special resolutions were passed at ADH General Assembly in 2022.

B - Subsidiary Companies' General Assembly/Partners' Meeting Special Resolutions

Sr No	Meeting Date	Items / Special Resolutions	Measures Taken
1	15-03-2022	National Marine Dredging Company PJSC: to amend the Article 28 of the Articles of Association of Company.	Approved
2		Aldar Properties PJSC: Proposal to give social contributions during 2022 and authorize the Board of Directors to determine the beneficiaries, subject to the requirements of Federal	Approved

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The Report was approved by the Board of Directors on

Chairman, ADH Board of Directors

H.E Mohamed Thani Murshed Ghannam Alrumaithi

Chairman, Board of Directors

Signature of Chairperson – Audit Committee

Ms. Sofia Abdellatif Lasky

Chairperson- Audit Committee

Signature of Chairman- Nomination and Remuneration Committee and Insider Trading Supervision Committee

Mr. Sultan Dhahi Sultan Maasam Alhemeiri

Chairman- Nomination and Remuneration Committee and Insider Trading Supervision Committee

Signature of Compliance Manager

Mr. Khalil Ahmed Khan

Compliance Manager

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	11-04-2022	Decree Law No (32) of 2021, concerning commercial companies and applicable Laws and Regulations.	

Emiratization Percentage in the Company as of 2022

2022

Number of Employees	Emiratis Citizens – Male	Emiratis Citizens – Female	Non-Emiratis Citizen - Male	Non-Emiratis Citizen - Female	Total
Total	2,161	4,270	32,563	10,664	49,658
Ratio	4.4%	8.6%	65.6%	21.4%	100%

2021

Number of Employees	Emiratis Citizens – Male	Emiratis Citizens – Female	Non-Emiratis Citizen - Male	Non-Emiratis Citizen - Female	Total
Total	468	720	10,490	3,258	14,936
Ratio	3.2%	4.8%	70.2%	21.8%	100%

2020

Number of Employees	Emiratis Citizens – Male	Emiratis Citizens – Female	Non-Emiratis Citizen - Male	Non-Emiratis Citizen - Female	Total
Total	11	17	2,936	108	3,072
Ratio	0.4%	0.6%	95.5%	3.5%	100%

Significant Events During 2022

January 2022

- Acquisition of an additional 17% shareholding in Aldar Properties PJSC raising stake to 29.8%.
- Acquisition of an additional stake in National Marine Dredging Company PJSC equivalent to 3.38% of its share capital.
- Acquisition of 25% stake in Al Qudra Holding PJSC.
- Merging of Abu Dhabi Health Services (SEHA), and National Insurance Company (DAMAN) into Pure Health. Tamouh Healthcare, Yas clinic group and Abu Dhabi Stem Cell Center became part of Pure Health.

February 2022

- Approval from Central Bank of the UAE to launch WIO, a new digital banking platform. ADH has invested in WIO jointly with ADQ, Etisalat and FAB.

March2022

- Investment of AED 367 million in Dewa's landmark initial public offering

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May2022

- Investment of AED 367 million Borouge's initial public offering (IPO)
- Commitment to invest AED 9.2 billion in Chimera Capital 'Alpha Waves Ventures II' fund

June2022

- Investment of USD 25 million in Space X through a subsidiary.
- A subsidiary of Alpha Dhabi has signed a Memorandum of Understanding with General Electric Company of Libya to develop a strategic long-term partnership and collaboration in the renewable energy sector in Libya.
- Increase in stake by ADH in Aldar Properties PJSC, becoming Aldar's parent company.

September2022

- Pure Health, a subsidiary of ADH acquired a minority equity investment in Ardent Health Services, a leading healthcare provider in USA.

October2022

- Alpha Dhabi Holding PJSC has purchased 20% of International Energy Holding shares, a subsidiary of International Holding Company PJSC.
- Agreed to invest AED 370 million along with Multiply Utilities Holding LLC, in Kalyon Enerji Yatimlari A.S. Turkey.

November2022

- Acquisition of 25% stake in private-equity backed Gordon Technologies, a leading provider of MWD (Measurement While Drilling) technology to the oil and gas industry for AED 602 million.

December 2022

- Investment in Nammos Group, a globally celebrated lifestyle and F&B brand.

Initiatives and Innovations During 2022

- Solar Investment initiatives (W Solar: MoU in Libya)

W Solar will build solar photovoltaic power generation plants and sell the net delivered energy from the plants to the Libyan government. In its first phase, the solar photovoltaic program will be designed to produce 500 MW, with a long-term target of 2000 MW, where W Solar Investment will own and operate the project for 25 years from the start of production.

- Technology enabled and Technology Driven Investments:

ADH's investment consists of an initial capital contribution of AED 2.6 billion, in addition to an undrawn capital commitment of AED 6.6 billion. Driven by growth and innovation, this investment will target multi-stage private firms and businesses that are tech-enabled and tech-driven, resulting in creating innovative solutions for key concerns both regionally and globally. These firms will be spread across multiple sectors, from artificial intelligence and technology to life sciences, consumer internet and B2B focused organizations, encouraging diversity and bringing new skilled talent and technologies to UAE.

- Investment in Digital Banking:

Region's first platform bank Wio launches in UAE. The new bank will provide solutions in three areas – digital banking apps, embedded finance and banking-as-a-service solutions. Alpha Dhabi is a major shareholder with ADQ. ADH invested AED 850Mn in Wio Bank.

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04
ESG Report

Fostering a Future-Forward World

ESG REPORT 2022
Alpha Dhabi Holding

Alpha Dhabi Holding
ألفا ظبي القابضة

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About This Report

(GRI 2-1, GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5, G7, G8, G9)

ABOUT THE REPORT

The 2022 edition of our Sustainability report highlights the approaches and performance of Alpha Dhabi Holding's (ADH) largest subsidiaries on material Environmental, Social, and Governance (ESG) topics. This year's review focuses on the company's ESG efforts across ADH's core verticals and builds on findings and progress from our inaugural report in 2021.

To gain a detailed overview of our performance, we recommend reviewing this report in conjunction with our 2022 Consolidated Financial Statements and Corporate Governance Reports.

2022 REPORTING SCOPE AND ORGANISATIONAL PARAMETERS

The subsidiaries covered by this report account for over 90% of ADH's consolidated revenue. We reassess our reporting practices every year to ensure that our ESG reporting is more inclusive. Our goal is to gradually expand coverage to all ADH subsidiaries to provide a holistic companywide ESG evaluation. To review the segregated and consolidated data for all the reported companies in this edition of the report, please refer to the Key ESG Performance Indicators section in the Appendices.

---------- [***Standalone Box***]

In 2022, expanding its property investment portfolio, Alpha Dhabi increased its total stake in Aldar to over 31%. With this, ADH now operates as the parent company, where Aldar Properties PJSC will be treated as a subsidiary of Alpha Dhabi Partners Holding L.L.C and will be reflected in Alpha Dhabi's consolidated annual financial statements. As a result, under the Alpha Dhabi Partners Holding L.L.C vertical, Aldar Properties now falls under the revenue contribution threshold and will be included in the reporting boundaries established for 2022.

Reporting Boundary

	Subsidiary
1	National Marine Dredging Company PJSC, *Vertical: Industrial*
2	Pure Health Holding LLC, *Vertical: Healthcare*
3	Trojan Construction Group – SP LLC, *Vertical: Construction*

4	Aldar Properties PJSC, *Vertical: Partners*

---------- [***Standalone Box***]

The reporting boundary for Pure Health Holding LLC is Pure Health Medical Supplies, which has expanded from the previous year. In 2021, three additional entities were included in the reporting boundary: Pure Lab (MOHAP), TMO, and One Health, in addition to Pure Health Medical Supplies (Corporate Level). In 2022, Rafed and Pure Lab (Union 71) were transferred from SEHA's control and, together with newly acquired Somerian Health and its subsidiaries, now fall under the domain of Pure Health Medical Supplies. Consequently, to ensure comparability, the historical data has been updated to reflect the new reporting boundary, which may differ from last year's report.

---------- [***Standalone Box***]

The reporting boundary for National Marine Company PJSC has expanded from the previous year to encompass its recently acquired entity, the National Petroleum Construction Company (NPCC). This year's reporting boundary includes both the primary business unit, NMDC UAE and NPCC. Therefore, to ensure consistency, the historical data has been revised to reflect the new reporting boundary, which may differ from last year's report.

COMMITMENT TO GLOBAL AND LOCAL ESG STANDARDS

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021 Update, which is effective for reports or other materials published on or after 1 January 2023.

We have ensured compliance with the recommendations and guidance of the Global Reporting Initiative (GRI) to enhance transparency and accountability of disclosures. GRI is a network-based organisation that has developed the most widely used framework for sustainability reporting. We have reported against all Universal Standards and material Topics Standards. Our alignment with the standards can be found in the GRI Content Index, included at the end of the report under the Appendices.

As a responsible global corporate citizen and a leading sustainability advocate in the UAE, we are committed to supporting key global and local initiatives, starting with our commitment to the Abu Dhabi Vision 2030. Additionally, this year’s report further reflects an extended reporting scope that highlights our contribution towards the Sustainable Development Goals (SDGs) and the ADX ESG Disclosure Guidance.

To review our alignment with the ADX ESG disclosures, please refer to the GRI Content Index in the Appendices.

ENSURING REPORTING INTEGRITY

ADH undertakes all efforts to ensure company reporting integrity. To that end, information provided in this ESG report has been reviewed by ESG Integrate and a reputable third-party firm operating in the ESG space, in line with GRI reporting standards that ensure reliability, transparency, and fair representation of ESG data and information.

---------- [***Standalone Box***]

The data reflecting Aldar Properties' sustainability performance has not been independently verified at the time of publication and may differ from the information presented in their 2022 Sustainability Report. Please visit their website to access the final assured figures.

Additionally, Aldar's HR information only reflects its corporate workforce. For an overview of the Aldar Group, including its subsidiary companies, please visit Aldar's 2022 Sustainability Report. It should also be noted that the detailed scope and boundary for KPIs may vary. For a complete and accurate understanding of the reporting criteria, please consult Aldar Properties' 2022 Sustainability Report.

FORWARD-LOOKING STATEMENTS

While all efforts have been made to ensure data accuracy, ADH operates in global and local markets where external factors outside its control can impact environments and ecosystems. Therefore, ADH bears no obligation to publicly update or revise any/all forward-looking statements included in this report unless required to do so by applicable laws and regulations.

A Letter from the Managing Director & CEO

(GRI 2-2)

Alpha Dhabi Holding (ADH) can reflect on a very successful year in 2022, the first full year of trading on the Abu Dhabi Securities Exchange (ADX) since our listing in mid-2021.

In a global context characterised by uncertainty and economic headwinds, the UAE has continued to exhibit healthy economic fundamentals, growth, and positive market sentiment. At ADH, we have created shareholder value across our diversified business group. We capitalised on local and global opportunities to expand our key verticals and cement our position as a leading regional investment holding company.

We remain deeply committed to the Abu Dhabi Economic Vision 2030, the UAE's Net Zero by 2050 Strategic Initiative and the United Nations Sustainable Development Goals. In so doing, we aim to create a network of future-oriented technology-rich businesses that work cohesively to support healthy communities and biodiverse ecosystems where people and nature can thrive and adapt to changes in climate and socioeconomic environments.

Our confidence in the UAE economy and Aldar's strong commitment to our set of ESG driven values has led us to increase our stake in this UAE-based real estate developer. In 2022, we became its largest shareholder and parent company. Also, in line with Abu Dhabi Economic Vision 2030 and the UN SDGs, we partnered with ADQ to create the UAE's largest healthcare provider through our subsidiary Pure Health.

As a material investment vehicle focused on supporting the growth and diversification of the UAE economy, Alpha Dhabi embraces its responsibility towards sustainable and inclusive economic development. Accordingly, and as stipulated in our inaugural sustainability report in 2021, we have refined our approach to sustainability for the current edition.

Throughout 2023 and 2024, we target embedding climate risk management in our decision-making process and using our extensive supply chains to promote sustainability practices throughout the region. We believe that the journey of embedding sustainability into our business model will benefit us greatly. We expect to become more resilient, to be able to identify new business opportunities and to better serve all our stakeholders.

Eng. Hamad Salem Mohammed Saeed Al Ameri
Managing Director & Chief Executive Officer



About Alpha Dhabi Holding

OUR BUSINESS

(GRI 2-6, GRI 2-7, GRI 2-8, GRI 2-28)

LEADING THE MIDDLE EAST INVESTMENT LANDSCAPE

Alpha Dhabi Holding (ADH) operates as one of the region's leading investment holdings. A subsidiary of the Abu Dhabi-based International Holding Company (IHC), ADH drives development and diversification across core sectors of the UAE economy through strategic investments.

The company's investment and growth strategy are inspired by the Abu Dhabi Vision Economic Vision 2030, wherein ADH aims to create the largest regional ecosystem of future-oriented businesses in support of a sustainable, diversified, innovative and knowledge-based AUE economy. ADH subsidiaries benefit from enhanced access to technology, market connectivity, and group synergies.

In 2022, ADH continued to invest in lucrative opportunities in new sectors and geographies. These strategic investments created shareholder value as well as economic, social, and environmental benefits to stakeholders in the UAE and internationally.

THE ADH ECOSYSTEM

ADH is a subsidiary of International Holding Company (IHC). In 2021, IHC listed ADH shares on the Abu Dhabi Securities Exchange in a successful Initial Public Offering (IPO). IHC remains the largest shareholder, with a controlling stake, followed by smaller institutional and public investors.

Name of Shareholders with 5% or More Ownership	***Share***
IHC Capital Holding LLC	76%
West Investment SPV restricted limited	10%
Total	**86%**

The ADH ecosystem strives to maximise shareholder value through diversification across six strategic verticals: Construction, Healthcare, Hospitality, Industrial, Energy, and Partners. Under each vertical is a wholly ADH-owned subsidiary that controls all investments within the scope of the vertical. Operating under this structure has allowed ADH to streamline its investments and grow its portfolio to over 60 standalone businesses operating both locally and abroad.

With a paid-up capital of AED 10 billion and a workforce of nearly 50,000 employees (excluding labourers), ADH is well-positioned to make smart acquisitions that create value through access to technology, markets and group synergies.

ADH PORTFOLIO OVERVIEW

The 6 Pillars of Investment

1. **Construction**: ADH's construction portfolio focuses on offering turnkey solutions across the end-to-end construction value chain. ADH's portfolio mission is to drive construction best practices to lead sustainable urbanisation in the UAE in line with Abu Dhabi Vision 2030.
2. **Healthcare**: ADH's healthcare portfolio focuses on supporting the UAE healthcare sector, leveraging innovative technology-oriented solutions to streamline hospital management, improve patient care, and ensure inclusive access to healthcare. The portfolio includes subsidiaries that provide specialised health and wellness services as well as premium medical equipment suppliers.
3. **Hospitality**: ADH's hospitality portfolio leads the market in luxury hospitality services. The portfolio serves a wide range of customers through strategic partnerships with the world's leading hotels and hospitality brands.
4. **Industries**: ADH's industry portfolio is dedicated to expanding local manufacturing in the UAE through sustainable technology-oriented solutions. The portfolio serves industrial clients in a variety of sectors, including F&B, transportation and logistics, machinery and equipment, mineral products, and automotive.
5. **Partners**: ADH's partners portfolio is geared towards establishing mutually beneficial relationships with market-leading enterprises. The portfolio is sector-agnostic and on a mission to add successful local and global brands that share ADH's operational and sustainability visions.
6. **Energy**: ADH's newly added energy portfolio aims to invest in energy related ventures and companies where technology plays a key role, also targeting opportunities involving renewable energy solutions.

ADH LEADING VERTICALS

Each ADH vertical is led by a group of companies that are sector leaders committed to driving innovation and sustainability in their respective fields of business.

Construction

- *Trojan Construction Group – SP LLC:* Trojan Construction is a leading UAE based construction firm responsible for handing over more than AED 10 billion worth of projects in the last five years. The group is responsible for several landmark buildings that form part of the UAE's skyline, such as Nation Towers. Building on its successful past, Trojan Construction Group is committed to growing its local and regional presence while adopting sustainable construction practices and CSR initiatives.

Healthcare

- *Pure Health Holding LLC*: Pure Health is the UAE's largest integrated healthcare ecosystem that includes hospitals, clinics, diagnostics, insurance, pharmacies, health tech, procurement, and more. As a group, Pure Health leads the market in pioneering ground-breaking medical innovations that extend human potential through life, meaning, and purpose.

Hospitality

- *Murban Energy Limited:* Murban Ltd is a multi-strategy investment company that has been investing in and developing ultra-luxury hotels, with a focus on very selective locations in the UAE and abroad. It owns St Regis Saadiyat in Abu Dhabi, Cheval Blanc Randheli in the Maldives and is currently developing a new ultra-luxury hotel in the Seychelles. In addition, Murban holds a portfolio of listed stocks and private equity investments, including a 33% shareholding in Canal Sugar, Egypt.

Industries

- *National Marine Dredging Company (NMDC) PJSC*: NMDC is a leading provider of dredging, reclamation, and marine construction solutions in the Middle East. Through its recent acquisition of National Petroleum Construction Company (NPCC), NMDC can deliver complete Engineering, Procurement, and Construction (EPC) services to offshore and onshore oil & gas clients.
- *Emirates Gateway Security Services LLC*: Emirates Gateway Security Services is a private security firm headquartered in Abu Dhabi. It focuses on providing security and defence services to a broad range of individual and corporate clients across the UAE.
- *Sandstorm Motor Vehicle Manufacturing LLC*: Sandstorm is an automobile manufacturer specialising in 4x4 vehicles designed to master the harsh climate and terrain of the Middle East. The company is committed to

becoming a leader in the UAE's 4x4 vehicle market, contributing to the country's vision of establishing a local automotive manufacturing industry.

Partners

- *Mawarid Holding Investment LLC*: Mawarid is a leading investment company with a diversified portfolio of innovative Gulf-based businesses across multiple sectors. Mawarid, through its subsidiaries promotes sustainable forestry and agricultural practices. It uses sustainable land management know-how and technology to manage 20,000 hectares of forests comprising over 12 million trees.
- *Aldar Properties PJSC*: Aldar is an Abu-Dhabi-based integrated real estate developer and asset manager with an expansive portfolio of residential, commercial, retails, hospitality, and education assets across Abu Dhabi. The company is on a mission to create sustainable communities that enjoy elevated standards of living in a tranquil environment.

Energy

- *Transcend Blocker, INC:* Transcend Blocker INC is an SPV which is 100% owned by Alpha Dhabi Energy Holding, a subsidiary of Alpha Dhabi Holding PJSC. The SPV was formed in October 2022 to hold the group's investment in 25% of Gordon Technologies LLC, which provides Measurement While Drilling, down-hole tools, technology and services to the oil and gas drilling industry. Gordon is headquartered in Scott, Louisiana with subsidiary offices in Kyle, Texas and Gloucester in the UK. It is committed to continually making improvements to its ESG practices.

KEY SUBSIDIARIES IN FOCUS

(GRI 2-6)

The 2022 sustainability report focuses on four subsidiaries from the verticals above that fall under the reporting boundary.

1. NATIONAL MARINE DREDGING COMPANY PJSC

Subsidiary Overview

Industry: Integrated Energy and Marine Services Engineering, Procurement, and Construction (EPC)
Founded: 1976
Part of ADH: since 2021
ADH Vertical: Alpha Dhabi Industries Holding LLC
HQ: Abu Dhabi, UAE
Operational Geographies: UAE, KSA, Qatar, Bahrain, Oman, France, Albania, Egypt, Eritrea, India, Maldives, Malaysia, Taiwan

Business Description

National Marine Dredging Company PJSC (NMDC) is a leader in Integrated Energy and Marine Services Engineering, Procurement, and Construction (EPC) solutions in the region. Although the group started in dredging and maritime construction, it has since expanded regionally to become the leader in end-to-end marine EPC services. In addition, with its recent acquisition of the National Petroleum Construction Company (NPCC), the NMDC group is now a major player in the UAE's energy sector, becoming the EPC contractor of choice for the country's oil and gas sector. Apart from its core dredging operations and NPCC business, the group also comprises Emarat Europe, a technology systems manufacturer, ADEC Engineering Consultancy, and a dredging subsidiary in Egypt formed as a JV with the Suez Canal Authority.

2. PURE HEALTH HOLDING LLC

Subsidiary Overview

Industry: Healthcare and Health-Tech
Founded in: 2006
Part of ADH: since 2021
ADH Vertical: Alpha Dhabi Health Holding LLC
HQ: Abu Dhabi, UAE
Operational Geographies: UAE

Business Description

Pure Health is the UAE's largest integrated healthcare ecosystem, including hospitals, clinics, diagnostics, insurance, pharmacies, health tech, procurement, and more. As a group, Pure Health leads the market in pioneering ground-breaking medical innovations that extend human potential through life, meaning, and purpose. The group is well-positioned to advance the UAE healthcare system through scientific research and technological innovation, helping people live longer, healthier, and happier lives.

3. TROJAN CONSTRUCTION GROUP – SP LLC

Subsidiary Overview

Industry: Construction
Founded: 2012
Part of ADH: since 2021
ADH Vertical: Alpha Dhabi Construction Holding LLC
HQ: Abu Dhabi, UAE
Operational Geographies: UAE

Business Description

Trojan Construction is a leading UAE-based construction firm responsible for handing over more than AED 10 billion worth of projects in the last five years. The group is responsible for several landmark buildings that form part of the UAE's skyline, such as Nation Towers. Building on its successful past, Trojan Construction Group is committed to growing its local and regional presence while adopting

sustainable construction practices and CSR initiatives. The group comprises eight specialist construction subsidiaries, including Trojan General Contracting (TGC), National Projects & Construction (NPC), Royal Advance Electromechanical, Reem Emirates Aluminium, HiTech Concrete Products, Al Maha Modular Industries, Phoenix Timber Factory, and Reem Readymix. Two out of eight companies contribute most of the group's business.

- *Trojan General Contracting:* Trojan General Contracting has operated in the UAE real estate and construction market for over a decade. In that time, the company has delivered a diverse and expansive portfolio of construction projects across the Emirates.
- *National Projects & Construction:* NPC has been a major industry player since 2003, providing unparalleled construction services to top UAE property developers. NPC's projects span construction, infrastructure development, and in-property mechanical and electrical projects.

4. ALDAR PROPERTIES LLC

Subsidiary Overview

Industry: Real Estate Development
Founded in: 2004
Part of ADH: since 2021
ADH Vertical: Alpha Dhabi Partners Holding LLC
HQ: Abu Dhabi, UAE
Operational Geographies: UAE

Business Description

Aldar is an Abu-Dhabi-based real estate developer and asset manager with an expansive portfolio of residential, commercial, retails, hospitality, and education assets across Abu Dhabi. The company is on a mission to create sustainable communities that enjoy elevated living standards in a tranquil environment.

Currently, the Aldar portfolio encompasses more than 60,000 residential units, over 650,000 square metres of commercial assets, and 600,000 square metres per gross leasable area of retail space. Aldar properties can be found at key locations across Abu Dhabi, including Yas Island, Saadiyat Island, and Reem Island.

Sustainability at ADH

WHAT MATTERS TO US

(GRI 2-29, GRI 2-30, GRI 3-1, GRI 3-2)

We are embarking on a journey to better understand the impact our decisions and operations have on society and the environment. We are also investing in understanding how all these things come together to impact shareholder value. We believe this journey will allow the group's sustainability efforts to be focused on the most relevant ESG topics, with the potential for maximum positive impact. We further believe that such an approach leads to a better understanding of risks and identification of opportunities. It builds the foundations to focus on relevant, meaningful, and targeted sustainability reporting that reflects a realistic, long-term, stakeholder-inclusive approach to ESG.

1.1 THE MATERIALITY ASSESSMENT

The key to a successful materiality assessment is through stakeholder analysis that provides an understanding of stakeholder needs, their role and contribution to sustainability, priorities, and goals on an individual and corporate level. This inclusive approach to determining the ESG areas that matter most to ADH helps pave the way for more effective cooperation and collaboration across the company.

An ADH stakeholder assessment was conducted last year as a part of the 2021 inaugural ESG report. The assessment identified key stakeholders, determining their ESG influence and interest at ADH. It engaged with them through multiple channels to map their alignment with ADH's ESG vision and mission.

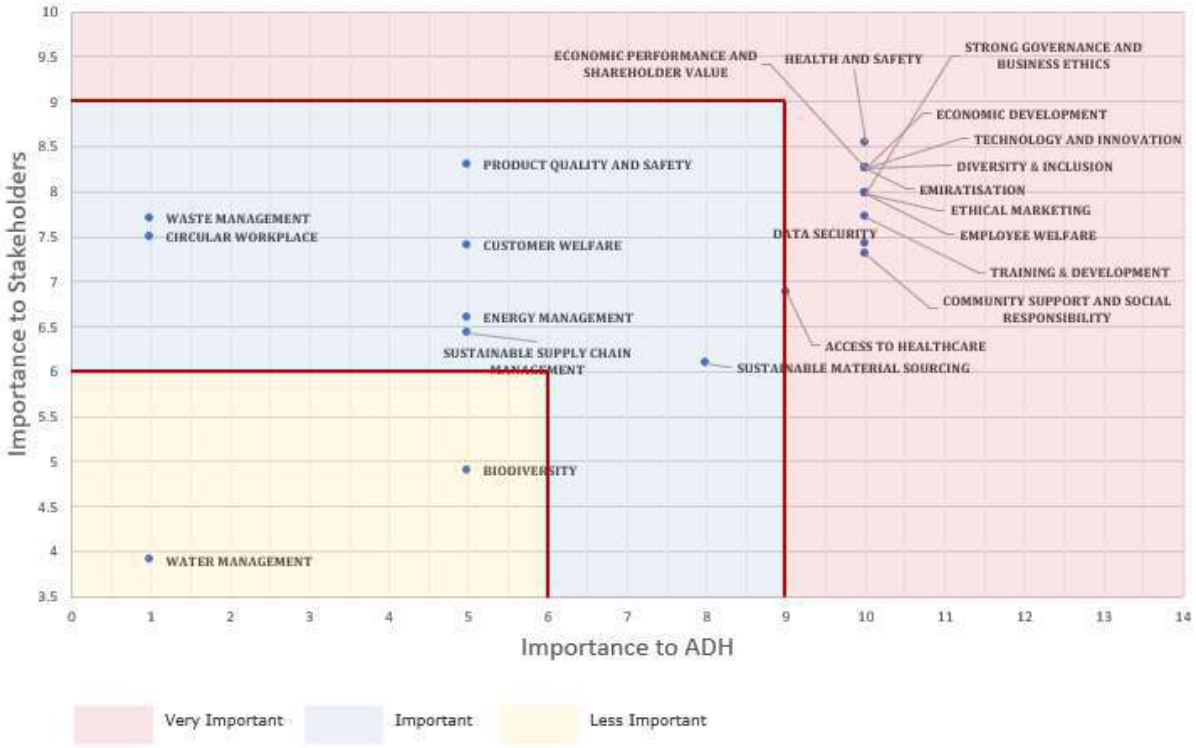
The key ADH stakeholders considered, and the methods of engagement used to connect and collaborate with them are summarised as follows:

KEY STAKEHOLDER GROUPS	METHODS OF ENGAGEMENT
SUBSIDIARIES/ ASSOCIATES /PORTFOLIO COMPANIES	Surveys of key ESG topics
	Website, Press Releases and Public Reports
	Regular meetings
	Marketing Material
EMPLOYEES	Employee Satisfaction Surveys
	Performance Reviews and Exit Interviews
	Internal Announcements
	Company Events
BOD & SENIOR EXECUTIVES	Regular Meetings, both in Person and via Phone, including BOD's meeting and related committees
	Regular Executive Meetings
	Company Events

SHAREHOLDERS	Annual General Assembly
	Regular Meetings, Both in Person and via Phone
	Regular Corporate Regulatory Disclosures
CO-INVESTORS	Regular Meetings, both in Person and via Phone
	Company Events
GOVERNMENT / REGULATORY AUTHORITIES (SCA, ADX)	Direct Engagement through emails and meetings
	Local Forums
	Regular Corporate Regulatory Disclosures
COMMUNITY	Community support through holding company and portfolio companies
SUPPLIERS/ SERVICE PROVIDERS	Supplier Code of Conduct
	Contractual Relations
	Assessment and Audits

Once we had brought our stakeholders into our ESG sustainability strategy loop, we advanced to the next stage of the materiality assessment. We evaluated the impact of ADH as a global organisation, as well as its effect on our planet and people. First, we conducted a peer analysis to identify historical industry impacts and the emerging industry-wide trends threatening material ESG areas. The results were supplemented by the Sustainability Accounting Standards Board's (SASB) materiality map. The map was used to determine key sustainability topics specific to our industry and those concerning the different fields of business covered by our portfolio companies.

A list of material ESG topics was created and separately evaluated based on their impact on ADH's enterprise value and ADH's reciprocal impact on those topics. This prioritisation assessment was grounded in the results of the ADH stakeholder engagement exercise. The final evaluation culminated in a framework that provides a snapshot of the key material ESG areas that ADH should focus on. The framework classifies each topic under three categories, ranging from 'very important' to 'less important.' It ranks each topic on its value to ADH and its stakeholders. This report focuses on the ESG topics marked only 'very important' to ensure a relevant and focused discussion on ADH's sustainability objectives and contribution.



1.2 2022 MATERIALITY ASSESSMENT EVOLUTION

ADH is committed to ensuring a materiality assessment that best reflects the company's sustainability risks and opportunities. To that end, ADH considers the ESG materiality assessment a dynamic process to be revisited periodically.

ADH, as a company, continued to grow and expand in 2022, simultaneously making progress on its sustainability journey. The company portfolio saw several additions. The most notable is Aldar Properties, which is also a part of this year's ESG reporting boundary. As a result of these changes, ADH reviewed its materiality list to account for the updated ESG priorities of its stakeholders and subsidiaries. The following changes have taken place over the last year:

Environmental Management: The previously labelled 'Energy Management' area has been expanded to capture a wider range of ADH activities on a group and subsidiary level. The new 'Environmental Management' area now encompasses water, waste, energy management, biodiversity, and more.

Local Economic Development: This topic has been expanded to reflect ADH's contribution to the UAE's economic growth and development and to Abu Dhabi's Vision 2030.

Responsible Supply Chain: A new topic is being added to account for ADH and its portfolio companies' supply chain management across multiple industries. This reflects the goal to work towards responsible and sustainable supply chain management.

Climate Risk Management: As one of the largest holding companies in the region, ADH is including this new topic to promote climate risk assessment and management across its portfolio. This reflects the goal to work towards

contributing to the fight against climate change while protecting company assets and operations from climate change risks and benefiting from the opportunities related to the transition to net zero as per the Paris Agreement.

These changes are reflected in this updated 2022 material ESG topics list.

Nr.	Material Topics	GRI Correspondence	ADX Correspondence
1	Environmental Management	GRI 302 – Energy GRI 303 – Water and Effluents GRI 304 – Biodiversity GRI 305 - Emissions GRI 306 – Waste GRI 307 - Environmental Compliance	E1: GHG Emissions E2: Emissions Intensity E3: Energy Usage E4: Energy Intensity E5: Energy Mix E6: Water Usage E7: Environmental Operations E8: Environmental Oversight E9: Environmental Oversight
2	Community Support and Access to Healthcare	GRI 413 -Local Communities	S12: Community Investment
3	Technology and Innovation	GRI 203 - Indirect Economic Impacts	N/A
4	Health and Safety	GRI 403 - Occupational Health and Safety	S7: Injury Rate S8: Global Health & Safety
5	Ethical Marketing	GRI 417 - Marketing and Labelling	N/A
6	Diverse and Gainful Employment	GRI 401 - Employment GRI 405 - Diversity and Equal Opportunity GRI 406 – Non-discrimination	S2: Gender Pay Ratio S3: Employee Turnover S4: Gender Diversity S5: Temporary Worker Ratio S6: Non-Discrimination
7	Emiratisation	GRI 202 - Market Presence	S11: Nationalisation
8	Training & Development	GRI 404 - Training and Development	N/A
9	Data Security	GRI 418 - Customer Privacy	G6: Data Privacy
10	Strong Governance and Business Ethics	GRI 205 - Anti-Corruption	G1: Board Diversity G2: Board Independence G3: Incentivised Pay G5: Ethics & Prevention of Corruption S1: CEO Pay S9: Child and Forced Labour S10: Human Rights

11	Local Economic Development	GRI 201 - Economic Prosperity GRI 203 - Indirect Economic Impacts	N/A
12	Responsible Supply Chain	GRI 204 - Procurement Practices GRI 308- Supplier Environmental Assessment GRI 414- Supplier Social Assessment	G4: Supplier Code of Conduct
13	Climate Risk Management		E10: Climate Risk Mitigation

ADH, A RESPONSIBLE OPERATOR AND ASSET OWNER

ADH's sustainability plan is to promote ESG responsible policies and practices throughout the group.

2.1 ADH AS A RESPONSIBLE OPERATOR AND ASSET OWNER

As a leading asset owner, ADH oversees the operations of a sizable portfolio of companies spread across key industries and economic sectors. We strive to engage with our companies on the ESG topics that matter most to us, with the aim of encouraging and guiding them towards greater sustainability awareness and practices.

ADH's role as a responsible and sustainability-driven operator is reflected through our active role in the ESG journeys of our subsidiaries. We promote ESG driven shareholder resolutions, ESG-issue advocacy at shareholder meetings, and engagement on sustainability transformations.

We are committed to being responsible employers and corporate citizens that promote good governance throughout our portfolio.

Responsible Employer	Responsible Citizen	Responsible Governance
ADH promotes, across its portfolio, an ethical, inclusive, fair, and people-focused approach to HR and employee management. We encourage our portfolio companies to foster a compassionate working culture that ensures employee welfare, safety, and prosperity.	ADH is committed to encouraging sustainable practices that minimise the impact on the planet and even promote the preservation of ecosystems, all the while fulfilling its obligations to shareholders. We believe that acting in our environment and communities' best interests is conducive to	As champions of responsible governance, ADH promotes transparency and ensures compliance with applicable laws and regulations. Our subsidiaries strive to make decisions and sell goods and services that are lawful, fair, and ethical.

	healthy and profitable business operations.	

2.2 ADH AS A RESPONSIBLE INVESTOR

ADH is a leading investor with an expansive existing portfolio covering key industries and looking to grow its presence through strategic investments and acquisitions.

We feel a sense of responsibility towards our shareholders, portfolio firms, employees, customers, and communities. For this reason, we have embarked on an ESG-oriented journey. We believe that an approach that embraces sustainability can provide a competitive advantage that would help us generate long-term value for stakeholders. We seek opportunities to work with industry leaders who aim to create a better world and a more sustainable future.

ADH continues to seek ESG-oriented investments and we will continue to promote the alignment of our portfolio companies with ESG goals, including the UN SDGs.

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Our commitment to fuelling sustainability-driven progress in the region is reflected through our most-recent investments in the renewable energy sector. In 2022, our group companies made two notable investments in sustainable energy projects in the Middle East.

1. Our group company, W Solar Investment, partnered with the General Electricity Company of Libya (Gecol) to develop the country's renewable energy sector. The collaboration will invest in building a solar power plant that is set to ultimately generate 2,000MW of clean energy for the country.
2. Alpha Dhabi Holding also entered the Turkish energy market for the first time with a minority investment in the leading Turkish renewable energy firm, Kalyon Enerji.

OUR CONTRIBUTION TOWARDS GLOBAL GOALS AND OUR NATION'S VISION

ADH is one of the UAE's largest publicly listed companies with majority stakes in organisations spread across the Emirates that are key contributors to the local and regional economy. ADH's potential for a positive impact on local, regional, and global sustainability is significant. ADH is therefore sensitive to the UAE government's sustainability agendas and policies. ADH is committed to playing a role in helping the UAE lead the world in contributing to global sustainability initiatives, such as those set out by the United Nations in the Paris Agreement and their 17 Sustainable Development Goals (SDGs), as well as to Abu Dhabi's 2030 Agenda for Sustainable Development.

THE SUSTAINABLE DEVELOPMENT GOALS

The 17 Sustainable Development Goals (SDGs) established by the United Nations are globally recognised as universal sustainability objectives. They provide all nations with a roadmap to a sustainable future, considering every aspect of the economy, environment, society, and governance needed to build a better world for current and future generations. The goals were born in 2015 out of the shared vision of 193 participant countries of the UN General Assembly.

The popularity of the SDGs as the definitive sustainability blueprint is partly because of their clarity and their distinct breakdown of the roles each stakeholder, from governments and businesses to academia and civil society, must play in achieving them. The goals also reinforce the importance of all private and public stakeholders working in partnership to achieve progress.

Given their inclusive and action-oriented approach to sustainability, the SDGs underpin the UAE's national sustainability agenda and strategies, including the UAE Vision 2031. Following in the UAE's footsteps, ADH is committed to making meaningful contributions towards the SDGs. In doing so, we contribute positively to the UAE and Abu Dhabi's sustainable economies.

ABU DHABI VISION 2030

ADH is headquartered in Abu Dhabi and listed on the Abu Dhabi Securities Exchange. It is an integral part of Abu Dhabi's economy. Accordingly, ADH draws inspiration from the Emirate's Vision 2030 and its plan to diversify the economy through sustainable value-creating sectors. ADH's investments in healthcare, hospitality, energy, and more, position us well to positively impact Abu Dhabi's sustainable and diversified economic trajectory.

'WE THE UAE 2031' VISION

ADH is strategically placed in the UAE economy to transform core industries, including construction, healthcare, real estate, manufacturing, industries, and energy. Guided by the SDGs and aligned with Abu Dhabi's Vision 2030, ADH is supporting the UAE's transformation into a global economic hub and beacon of sustainability through ESG-driven investments in key sectors of the economy. ADH's business strategy takes inspiration from the UAE's 'We the UAE 2031'

Vision, which details the country's 10-year plan for attracting investments, accelerating growth, and driving sustainable innovation.

ADH'S CONTRIBUTION TO SDGs AND NATIONAL VISIONS

As part of its ESG reporting, ADH has evaluated its contribution to the relevant SDGs and has assessed how we support the objectives outlined in Abu Dhabi Vision 2030. The SDGs relevant and material to ADH group and subsidiary operations were determined using the SDG Compass developed by the GRI, the United Nations Global Compact and the World Business Council for Sustainable Development (WBCSD). The initial assessment included six SDGs that ADH could meaningfully impact. However, upon review, the list has been updated to seven key SDGs in 2022. The following table outlines ADH's responsibility and contribution to these SDGs and how its efforts are aligned with our national vision.

	**SDG 6: Good Health and Well-Being** Ensure healthy lives and promote well-being for all ages
	How Do We Contribute? We support the well-being and growth of our communities by creating productive employment opportunities across our subsidiaries. We further ensure that all employees under the ADH umbrella have the best health insurance coverage to protect their health and promote their well-being. In addition, through our healthcare subsidiary Pure Health's network of 100+ clinics, 25+ hospitals and 160+ laboratories, we not only actively provide world-class medical services to more than 2.8 million patients but are also contributing to health tech innovation that will improve healthcare across the UAE.
	Supporting our Nation's Vision *Premium education, healthcare, and infrastructure assets*
	Aligning With Our Material Topics • Community Support and Access to Healthcare • Health and Safety • Strong Governance and Business Ethics
	**SDG 5: Gender Equality** Achieve gender equality and empower all women and girls
	How Do We Contribute? As one of the UAE's largest holding companies with an expansive employee base, our employment practices embrace gender equality. We strive to understand and promptly address the challenges of female employees in our workforce and provide the opportunities they need to succeed in their professional careers. Our hiring and promotion practices are also focused on increasing female representation across different levels of our group companies. Our subsidiaries, Aldar Properties and Pure Health Medical Supplies have excelled in promoting gender equality and empowering women, with female representation of 39.32% (corporate workforce) and 54% respectively.

Supporting our Nation's Vision

Premium education, healthcare, and infrastructure assets

A large empowered private sector

Aligning With Our Material Topics

- Diverse and Gainful Employment
- Strong Governance and Business Ethics
- Training and Development

SDG 8: Decent Work and Economic Growth

Promote sustained, inclusive, sustainable economic growth, and productive employment and decent work for all

How Do We Contribute?

As a holding company with strategic investments across core sectors of the UAE, ADH is a key contributor to local economic growth and work opportunities for residents and citizens. Through our subsidiaries we are driving progress in healthcare, construction, real estate development, hospitality, energy, and investments sectors. We also create economic value by supporting local businesses and suppliers, as well as attracting foreign investors and companies to the UAE. ADH is dedicated to supporting the UAE government's Emiratisation initiatives by significantly boosting the number of UAE nationals in the workforce. In 2022, a total of 6,431 Emiratis were employed, with an Emiratisation rate of 13% across all ADH subsidiaries. Over the next five years, ADH aims to onboard 2,500 Emiratis. To achieve this, the company is collaborating with universities in the UAE to offer increased internship opportunities and actively participating in Nafis, a federal program aimed at enhancing the competitiveness of UAE human resources and encouraging their involvement in the private sector. In 2022, ADH offered 360 jobs to UAE nationals across all its subsidiaries.

Supporting our Nation's Vision

A large empowered private sector

A sustainable knowledge-based economy

Aligning With Our Material Topics

- Emiratisation
- Training and Development
- Local Economic Development
- Diverse and Gainful Employment
- Strong Governance and Business Ethics

SDG 9: Innovation and Infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

How Do We Contribute?

Technological innovation is central to our business strategy. Through targeted investments, we are playing an instrumental role in developing technology solutions that will power the future. We recently acquired a 25% stake in Gordon Technologies, an MWD engineering firm innovating the next generation of oil and gas drilling equipment and technology. We are also proud

	of launching WiO, a digital banking platform, in collaboration with ADQ, Etisalat, and FAB. The platform is set to power the UAE's digital economy.
	Supporting our Nation's Vision *A large Empowered Private Sector* *A sustainable knowledge-based economy* *Premium education, healthcare, and infrastructure assets*
	Aligning With Our Material Topics • Data Security • Ethical Marketing • Technology and Innovation • Community Support and Access to Healthcare • Local Economic Development • Responsible Supply Chain • Strong Governance and Business Ethics
	**SDG 11: Sustainable Cities and Communities** Make cities and human settlements inclusive, safe, resilient and sustainable
	How Do We Contribute? Our subsidiaries in the industrial engineering and development, construction, and real estate development sectors are playing an instrumental role in helping improve the infrastructure in the UAE. NMDC focuses on marine and energy infrastructure whereas Trojan Construction Group and Aldar Properties are leaders in the UAE's 'built' and real estate sector. Their aim is to build resilient, empowered, connected and increasingly sustainable commercial and residential communities across the UAE, where people can live safely.
	Supporting our Nation's Vision *Premium education, healthcare, and infrastructure assets* *The optimisation of the Emirate's resources*
	Aligning With Our Material Topics • Environmental Management • Community Support and Access to Healthcare • Responsible Supply Chain • Local Economic Development • Strong Governance and Business Ethics

Our Underlying Goals	
	**SDG 13: Climate Action** Take urgent action to combat climate change and its impacts **SDG 17: Partnerships for the Goals** Strengthen means of implementation and revitalise global partnerships for sustainable development
	How Do We Contribute? Climate action is becoming an increasingly important part of our business. ADH and its subsidiaries work with private and public partners on climate sustainability-driven projects. Several of our recent investments are directly fighting against climate change by driving development of renewable energy projects. Moving forward, we are looking to collaborate with leaders in our core

	sectors to reduce our collective carbon footprints and help the UAE achieve its climate goals.
	Supporting our Nation's Vision *Premium education, healthcare, and infrastructure assets* *The optimisation of the Emirate's resources* *A continuation of strong and diverse international relationships* *A significant and ongoing contribution to the federation of the UAE*
	Aligning With Our Material Topics • Environmental Management • Community Support and Access to Healthcare • Technology and Innovation • Strong Governance and Business Ethics • Local Economic Development • Climate Risk Management

OUR PEOPLE

(GRI 2-7, GRI 2-8, GRI 401-1, GRI 401-2, GR1 403-1, GR1 403-2, GR1 403-3, GR1 403-4, GR1 403-5, GR1 403-6, GR1 403-7, GR1 403-8, GR1 403-9, GR1 403-10, GRI 404-1, GRI 404-2, GRI 404-3, GRI 405-1, GRI 405-2, GRI 406-1, S2, S3, S4, S5, S6, S7, S8, S11, G1)

OUR HUMAN CAPITAL, OUR MOST VALUABLE ASSET

PEOPLE – OUR MOST VALUABLE RESOURCE

At ADH, an idea deeply ingrained in our operational DNA is that business is inherently a human endeavour. To that end, our people are our most valuable resource. We believe that if we create the right environment for our talent and equip them with resources and administrative support, they will perform at their best and produce exceptional results. Leading with this belief has been central to our success as one of the UAE's largest, most prolific investment groups.

Embracing a people-led approach to business makes our human resource team vital to our operations. The ADH HR team works towards instilling the highest level of employee management standards and best practices across all subsidiaries. The team is committed to the principle of prioritising employees, respecting diversity, encouraging team inclusivity, fostering compassion, strengthening a learning-oriented workplace culture, and investing in employee growth and development.

We take care of our people, and they take care of us. Over the years, we have built a loyal workforce that feels valued and supported across our subsidiaries. Our reputation as a responsible, equal-opportunity employer has also translated into access to the best local and global talent.

	Employees
	ADH Operations
2021	8
2022	16
	NMDC Group
2021	11,869
2022	11,908
	Pure Health
2021	1,297
2022	5,283
	Trojan Construction Group
2021	18,128
2022	23,096
	Aldar Properties
2021	517
2022	735
	TOTAL
2021	**31,819**
2022	**41,038**

AN INCLUSIVE HR STRATEGY

ADH's HR strategy is grounded in the results of the materiality assessment. It evaluates and prioritises the importance of ESG topics to the company. Our strategy is broadly divided into three distinct areas.

1. Diverse and Gainful Employment

Diversity and inclusion are critical tenets of ADH's approach to people management. Making a conscious effort to hire a diverse workforce and make everyone feel included and valued has been instrumental in our success. We have reaped the benefits of different perspectives, cultures, and experiences to inform our decisions and actions. It has also expanded our talent pool, allowing us access to exceptional people with remarkable abilities from different backgrounds.

Our core subsidiaries have performed exceptionally this year in terms of fostering a diverse and inclusive workplace. For example, Pure Health's focus this year was on female empowerment and gender equality. The percentage of female employees at the company increased from 46% in 2021 to 54% in 2022 with the support of ADH's leadership and HR teams. In addition, PHMS continued its efforts to empower its female employees by providing them opportunities to grow, develop, and showcase their skills. PHMS also ensures a fair, non-discriminatory workplace by holding employees accountable to its Code of Conduct which covers harassment, discrimination, and bullying-related issues.

NMDC operates in a traditionally male-dominated space. However, the company has stayed true to its goal of hiring more talented females in various technical and back-office job categories, increasing female representation within the company from 1.81% to 2.02% in 2022. Like PHMS, NMDC also follows a Code of Business Conduct with clearly identified sexual harassment policies and anti-discriminatory measures.

Aldar Properties is committed to increasing diversity and inclusion in the workplace. This year, the company launched a mandatory diversity and inclusion induction training program for all new employees. It also started to actively hire people of determination, providing them with the required resources and support for success. Aldar is also one of our top performers in terms of gender equality and female representation with women constituting 39.32% of the workforce.

Aldar's strategy for gainful employment is multifaceted. First, the company makes sure to recognise and appreciate the hard work of its people through targeted incentives. Second, it has introduced the Aldar Stars initiative to recognise star employees every month as well as annually. Lastly, the company is focused on preserving the mental health of its employees by offering them mental health support and training programs. The success of Aldar's gainful employment strategy can be seen in the low turnover rates at the company. In 2022, the employee turnover rate was at 10.2%, indicating a high level of employee satisfaction.

In addition to diversity and inclusion, ADH is also focused on providing gainful employment to its people, one where they have financial and job security. Our HR team works hard to ensure all our employees benefit from a healthy work-life

balance and are fairly compensated for their jobs with a benefits package. We also take pride in providing our employees with ample growth and career development opportunities. As a result, our subsidiaries have continued to attract top talent this year while keeping turnover low.

Pure Health regularly conducts employee engagement and satisfaction surveys to ensure gainful employment.

NMDC follows suit, considering employee needs when setting its HR strategy. In addition, NMDC is also moving towards a decentralised HR approach to improve employee engagement.

Aldar's strategy for gainful employment is multifaceted. First, the company makes sure to recognise and appreciate the hard work of its people through targeted incentives. Second, it has introduced the Aldar Stars initiative to recognise star employees every month as well as annually. Lastly, the company is focused on preserving the mental health of its employees by offering them mental health support and training programs. The success of Aldar's gainful employment strategy can be seen in the reduction of turnover rates at the company.

	Total Employees by Gender			
	ADH Operations			
	Female	Male	Female (%)	Male (%)
2021	2	6	25.00%	75.00%
2022	6	10	37.50%	62.50%
	NMDC Group			
2021	215	11,654	1.81%	98.19%
2022	240	11,668	2.02%	97.98%
	Pure Health			
2021	592	705	45.64%	54.36%
2022	2,853	2,430	54.00%	46.00%
	Trojan Construction Group			
2021	99	18,029	0.55%	99.45%
2022	121	22,975	0.52%	99.48%
	Aldar Properties			
2021	194	323	37.52%	62.48%
2022	289	446	39.32%	60.68%
	TOTAL			
2021	**1,102**	**30,717**	**3.46%**	**96.54%**
2022	**3,509**	**37,529**	**8.55%**	**91.45%**

	Total Turnover	**Total New Hires**
	ADH Operations	
2021	0.0%	0.0%
2022	0.0%	100.0%
	NMDC Group	
2021	4.7%	2.6%

2022	3.4%	7.9%
	Pure Health	
2021	14.4%	50.2%
2022	72.1%	54.6%
	Trojan Construction Group	
2021	24.5%	20.7%
2022	10.6%	30.6%
	Aldar Properties	
2021	8.1%	38.5%
2022	10.2%	39.6%
	TOTAL	
2021	**16.4%**	**15.4%**
2022	**16.4%**	**27.3%**

	Total Number of Nationalities
	ADH Operations
2021	5
2022	9
	NMDC Group
2021	60
2022	60
	Pure Health
2021	58
2022	80
	Trojan Construction Group
2021	35
2022	35
	Aldar Properties
2021	*Breakdown by continent provided in sustainability data sheet
2022	

2. Training and Development

Training and development are at the heart of ADH's people-management approach. We aim to invest in our people to develop their knowledge and skills that will empower their personal and professional growth. Our focus on employee development is also a key reason for low turnover across the group. It shows our staff that we are committed to helping them work towards professional fulfilment. Our HR teams actively work with their subsidiary counterparts to constantly improve training programs to ensure that all staff members work optimally.

At NMDC, the training and development programs are divided into employee improvement programs and academic education support. Trainings provide employees with the information and opportunities to improve their job performance. Academic education support is geared towards UAE nationals at the company and is designed to provide them with opportunities to continue their education. In addition to these avenues of growth, NMDC provides targeted training to employees at all levels. In 2022, the company delivered 65,324 hours of training, a significant increase of 187.65% over 2021.

Training and development are central to PHMS's success. As a healthcare innovation and technology firm, the company's success is directly linked to its employees' intellectual abilities and practical know-how. Therefore, the company has several training programs in place. In 2022, it provided 49,109 hours of training to all its employees.

Aldar also prides itself on providing its employees with extensive training and development opportunities. The company has training centres, programs, and partnerships to empower and upskill its employees, including a teacher training initiative called 50 Emirati Teachers in Aldar Education. In 2022, the company delivered a total of 8,804 hours of training.

3. Health and Safety

The health and safety of employees is a top priority at ADH. Our subsidiaries follow occupational health and safety guidelines to minimise and mitigate the risk of employee harm. While eliminating hazards is not possible across some ADH subsidiaries (for example, construction), these subsidiaries actively work to minimise accidents and safety breaches as much as possible.

ADH places importance on its subsidiaries being compliant with regulations and international safety standards. There is also emphasis on providing higher-risk employees training to instil vigilance and the ability to prevent and report safety incidents.

NMDC is exposed to Occupational Health and Safety (OHS) risks due to the nature of its activities in marine construction. However, the company has a track record of maintaining a high OHS culture and performance. It has built credibility as one of the safest employers in the industry, with an increased focus on safety training and OHS employee skill development. In 2022, a total of 96,821 hours of safety training were delivered to all staff members.

Aldar Properties is also an industry leader in upholding the highest OHS standards. The company is known for maintaining low accident frequency rate, and Lost Time Injury (LTI) when benchmarked with global sector market leaders. This outstanding performance of the company is the rule and not the exception. In fact, in 2022 it has been recognised as a key strategic partner by the Abu Dhabi Municipality for the outstanding and consistent commitment to occupational safety and health. In part, Aldar can maintain such high standards of workplace safety due to its focus on training its people in the relevant safety guidelines and protocols. In 2022, contractor workers active on the construction projects received a total of 206,498 trainings on health and safety from the specialised Aldar OHS team. Additionally, Aldar personnel and contractors undergo Occupational Health and Safety inductions before entering any of the Aldar project sites.

As a leading construction company, Trojan places a high emphasis on occupational health and safety (OHS). Its subsidiaries, TGC and NPC, have been certified by multiple ISO and OSHAD standards and consistently meet their internally set OHS KPIs. In 2022, both entities achieved compliance with two additional ISO standards (ISO 26000 for social responsibility and ISO 31000 for risk management), in addition to their existing certifications (ISO 45011 for OHS, ISO 14001 for environmental management, ISO 9001 for quality management, and ISO 27001 for information security). In 2022, both TGC and NPC met all their OHS targets. The targets for the coming year include:

- Providing at least 3 hours of training per employee per month, with assessments and evaluations.
- Maintaining a maximum accident frequency rate of 0.25% (one lost time injury per 4 million man-hours worked).
- Achieving a maximum accident severity rate of 3.5% (one day lost for each 0.28 million man-hours worked).

Case Study: PHMS
Achieving Employee Excellence

Over the years, Pure Health Medical Services (PHMS) has built an industry reputation as a people-focused organisation. It has consistently demonstrated its commitment to its employees, providing them with the resources and opportunities they need to grow personally and professionally. As a result, the company has secured and maintained the highest employee satisfaction rates in the industry and is actively sought out as the preferred place of employment and career development.

At Pure Health, employees are considered the most valuable resource. PHMS aims to create a diverse and inclusive workplace where its employees work at their natural best. The company believes in fostering a comfortable work-life balance for all employees and a safe and nurturing environment where all employees feel valued, engaged in their work, and supported by their colleagues and peers.

Employee Engagement

Employee engagement is central to Pure Health's workforce-management strategy. PHMS strives to nurture a deep sense of belonging and alignment with the company vision in all its people.

To keep employees engaged at the highest level, the HR team of PHMS conducts regular employee satisfaction surveys across all its group entities. The results of these surveys are used to inform policy decisions. The surveys are conducted using Gallup Q12 metrics and cover topics such as employee needs, individual contribution, teamwork, and career and personal growth. The survey aims to measure five key attributes:

i. Employee productivity
ii. Profitability
iii. Customer Centricity
iv. Employee Retention
v. Employee Engagement

The survey results of 2022 speak for themselves. They reaffirm PHMS' success in keeping its employees engaged and satisfied. PHMS's overall employee engagement score of 78% on the survey is also above the regional average of 75%.

The encouraging results of the 2022 survey come off the back of multiple employee-engagement incentives and initiatives implemented by the HR team. Each initiative is customised to PHMS's various entities' employee needs. It is also tailored to address collected employee feedback and uses specialised tools such as the Net Promoter Score (NPS). Notably, PHMS also conducts Navigation Workshops to measure employee development in the workplace, employee performance which is measured on a bell curve, a sense of empowerment and fairness amongst employees, and a feeling of personal recognition.

To improve and incentivise employee engagement, Pure Health has also implemented multiple rewards programs, including:

- Pure Stars: Includes a number of incentives such as Employee of the Month, Star of the Quarter, Department of the Quarter, and Lab of the Quarter.
- Delta Force: Includes the Elite Recognition Program.
- Trail Blazers: Recognises change makers.
- EVP: Offers employee discounts and benefits.
- Art Competitions: Relieves workplace stresses and provides a creative outlet.
- Team Building Initiatives: Include various relaxed engagements such as quiz nights, movie nights, bowling events, and sports competitions.
- Hero Award: Recognises outstanding and selfless acts.
- Employee Net Promoter Score (eNPS): Specialised tool that awards the Great Place to Work (GPTW) certification.

Female Empowerment:

Female empowerment is another central tenet of PHMS's employee-management approach. Over the years, it has gone to great lengths to make the company a safe place for women to work and has provided them with career-building opportunities and leadership roles.

More than half of Pure Health's workforce are women (54%), and even more impressively, a majority of its leadership positions are also filled by women (54%).

Pure Health recognises that having women in senior positions is a valuable asset that brings diverse viewpoints and learning experiences that can help the company make better and more informed decisions. This approach is backed by research that shows companies with a higher percentage of women employees, especially in senior management, reported better financial performance and innovative business practices.

Moreover, having women in leadership roles at PHMS is a great motivator for the entire workforce as it demonstrates that the company values diversity and inclusion. In promoting gender equality across the entire enterprise and levels of employment, Pure Health is setting an example for others in the industry.

Its gender equality is not limited to employment opportunities but extends to equality in salary structures as well. The company does not discriminate based on gender. Next year in 2023, Pure Health will participate in the WTW salary survey to measure its company-wide efforts to close the gender pay gap.

Training and Development

Pure Health believes in investing in its employees' career growth and advancement. To that end, it provides ample training & development opportunities to all employees. Such an investment has multiple advantages for the company as well.

Improved Performance: Training & development programs improve the skills and knowledge of employees, which improves productivity.

Increased Job Satisfaction: Employees feel empowered to make better decisions which leads to higher job satisfaction.

Increased Opportunities for Career Growth: Training programs improve employee resumes and qualifications which enables growth and advancement in the company.

Higher Employee Retention: Companies that invest in employee growth and provide greater learning opportunities are more likely to satisfy and retain top talent.

Higher Adaptability: Training and development improve employee skills which makes them more adaptable to changing business requirements which in turn improves business agility and competitiveness.

In 2022, PHMS offered 20,883 hours of training to female employees and 28,226 hours of training to male employees, which adds up to a total of 49,109 hours of training. In 2023, the company intends to build on this momentum and further develop KPIs to better track and measure employee training. Going forward, Pure Health will continue to offer a range of training programs with different levels of hard and soft skills that will be customised according to employee experience and company rank.

Employee trainings conducted in 2022 are highlighted below:

External Trainings	Internal Trainings	TTT
Analytics in Healthcare: the basics, plain and simple	APM	Learning Masters TTT
Certified professional coder by AAPC	Customer Communication (Written)	
Certified Professional in Healthcare Information and Management System	Customer Service & Communication skills	
CHRP	Customer Services Training - Pure CS	
Customer Experience Masterclass with Ian Golding	EMPO Offsite	
Internal Audit Training - Advanced Risk Based Auditing	Excel with Excel	
Kubicle Platform	Fundamentals of Project Management	
License To Lead (I)	HIE Training	
Luminex Training	HL7 FHIR	
Medlab (Conference)	HSPI	
MOM & Note Taking	Ideas at Coffee	
Navigation Workshop	MS Excel Workshop	
Organisational Transformation Orchestration	Post Office	
PMP Certification	Power BI	
PMP Certification by PMI	Pure Lab Pathology and Laboratory Medicine Webinar	
PRINCE2® Foundation and Practitioner	Risk Management Workshop	
SANS FOR508 Training and GCFA Certification	Virtual Awareness Sessions on Objective Setting Exercise	
SANS FOR58 Training and GCFA Certification		
Time Management training		
Ventilator (SV600 Series) & Anaesthesia A. Series Machine Service		
Virtual Session: Performance Driven Culture Session		

Case Study: NMDC
A Commitment to Operational Health & Safety

The National Marine Dredging Company (NMDC) Group is one of the Middle East's leading integrated energy and marine EPC service providers. NMDC's marine dredging, reclamation, site engineering, and construction projects involve extremely high-risk and often perilous work. Ensuring the well-being and safety of its employees is a top priority for the company and is critical to the continuity of its business operations. Its Quality, Health, and Safety (QHSE) department ensures strict compliance with the highest health and safety standards.

A safe workspace promotes employees' overall health and well-being, increases productivity, and enables NMDC to deliver quality projects on time. QHSE at NMDC ensures the company adheres to all national and international safety benchmarks and has consistently exceeded its KPIs, providing a safe and healthy workspace for all employees.
NMDC has been recognised and lauded for its commitment to workplace safety and has received several national awards for providing quality working conditions for its employees.

These include the following:

- Certificate of Recognition by Saudi Aramco for "Best Contractor of the Year (Environment)" (NPCC)
- Certificate of Recognition by Saudi Aramco for "Most Number of HSE Campaigns Conducted" (NPCC)
- Certificate of Recognition by Saudi Aramco for "Best HSE Manager" (NPCC)
- Certificate of Recognition by Saudi Aramco for "Best HSE Officer" (NPCC)

Consistency in Safety Protocols
The NMDC Group has issued a Health, Safety & Environment (HSE) manual to ensure company-wide compliance with employee safety regulations. All employees must abide by the manual, which details company regulations and protocols on safety matters.

NMDC Group also ensures that subcontractors and suppliers meet its work and safety standards. To supplement the manual, the group conducts regular training and awareness workshops for employees and subcontractors to familiarise them with the company's HSE policies and protocols.

The HSE manual exemplifies NMDC's commitment to employee safety and providing a safe work environment. Furthermore, NMDC is dedicated to continually improving the working conditions for all employees in accordance with the highest international standards. The HSE manual is also regularly updated to ensure best industry practices.

Employee and Environmental Safety

Marine EPC projects require heavy machinery, precarious working conditions, and, often, the handling of hazardous materials. NMDC understands the inherent risks of its projects and strives to minimise safety breaches. To protect employees from workplace injury and stress, the group requires strict adherence to all safety protocols and regularly trains employees to keep up to date on the risk exposure of projects and OHS policies of the company.

Its responsibility extends to ensuring the physical as well as mental health of all employees. A safe and stress-free working environment also improves individual performance. Moreover, NMDC is also committed to protecting the environment and marine ecosystems through responsible operations and project management.

As a testament to its commitment to OHS, NMDC maintains compliance with international health and safety certifications. These include the ISO 45001:2018 for Occupational Health and Safety Management System, ISO 14001:2015 for Environmental Management System, and ISO 9001:2015 for Quality Management System.

In addition to these certifications, NMDC conducts regular audits, safety inspections, and drills to ensure all workplace safety protocols are effective and followed.

Employee Training

NMDC provides training to all field employees who work on-site. Each employee's performance is reviewed and assessed annually, and additional training is provided if recommended by line managers.

The HR Department conducts the annual performance review to identify opportunities for improving safety training. The company's top management approves the review and performance standards parameters.

Moreover, to prevent workplace injuries, all new employees must undergo the HSE Induction Training program before being allowed on the field. The program familiarises new hires with safety protocols and potential workplace risks. They are also taught how to avoid these risks and what to do in the event of an accident. In addition, all team members are briefed on their roles and responsibilities before starting work on any new project.

NMDC also conducts regular risk assessments to safeguard employee health and ensure compliance with safety standards. It enforces strict adherence to standard operating procedures and on-site safety protocols. These also include work procedures that ensure environmental protection.

To further strengthen its safety standards and provide an even more secure workspace, NDMC is developing a Project Task Risk Assessment program which it aims to implement for each new project along with its Job Safety Analysis.

2022 Health & Safety Performance Highlights		
0 Fatalities	**0** Lost Time Injuries	**0** Workdays Lost
6,441 Behavioural safety audits conducted	**96,821** Hours of H&S training delivered	Our occupational health and safety management system goes through frequent internal audits

THE LOCAL COMMUNITY AT THE HEART OF OUR BUSINESS

(GRI 202-2, GRI 413-1, S11, S12)

ADH attributes a significant part of its success to its support from the local business community and network of partnerships across the UAE. To give back, ADH is committed to creating opportunities and value for the local Emirati economy by uplifting local communities, investing in people, and providing them with opportunities to enter the workforce and contribute positively to society.

TAKING THE NAFIS PROGRAM A STEP FURTHER

ADH is a key participant of the UAE's Nafis Program, a federal Emiratisation initiative designed to set up a talented and experienced base of Emirati workers across all business fields and sectors of the economy. The Nafis Program reflects the UAE's commitment to its people and the importance it places on the role played by Emiratis in the development of their country. The program's goal is to fill 75,000 private sector roles across the country in the next five years.

ADH is aligned with the objectives of the Nafis Program and intends to hire 2,500 Emiratis. In 2022, we inched closer to the goal and implemented several supplementary initiatives, including the 'train to hire' one-year program. The program enables UAE nationals to handle on-site and in-office tasks throughout the year. At the end of the program, they are considered for a job. In 2022, ADH offered 360 jobs to UAE nationals across all its subsidiaries. The Emirati-specific recruitment is conducted through several events, such as the AADH recruitment open day for aspiring UAE citizens.

Emiratisation across ADH subsidiaries

ADH subsidiaries are committed to the Nafis Program as well. Pure Health, for example, has several programs in place to promote local recruitment, including the Emirati Development Program. Under this program, PHMS launched an Emirati Development Centre in collaboration with the Nafis Program. The centre provides Emiratis from all backgrounds with opportunities to develop their skills and transform into future leaders. The program is known for including people of determination and focuses on environmental sustainability-oriented skill development.

NMDC also considers Emiratisation a strategic priority. It has two initiatives in place for UAE nationals. First, it provides specialised training to local talent looking to enter the dredging and civil marine industry. Second, NMDC operates a dredging academy that trains semi-skilled UAE nationals in dredging activities. The Academy includes the latest dredging simulators.

Aldar Properties has also committed itself to the Nafis Program, aiming to hire and train 1,000 UAE nationals by 2026. To achieve this goal, Aldar is creating 200 roles across its subsidiaries annually. The 1,000 jobs created will include direct roles across the entire business and indirect roles with partners and suppliers.

	Emiratisation Rate
	NMDC Group
2021	9.7%
2022	7.0%
	Pure Health
2022	12.2%
	Trojan Construction Group
2021	0.8%
2022	1.5%
	Aldar Properties
2021	37.1%
2022	42.0%
	TOTAL
2021	7.2%
2022	8.8%

Note: Emiratisation rates have been calculated based on the total workforce, excluding labours

Case Study: Aldar Properties
Building Stronger Communities for Tomorrow

Aldar Properties is one of the largest real estate developers and asset managers in the UAE. It has grown exponentially over the years, overseeing some of the UAE's most prestigious property developments. However, despite Aldar's success, the group has never lost touch with its roots and community. In fact, the more Aldar has grown, the more it has given back to its stakeholders.

Aldar is helping build a sustainable future for the UAE by fostering stronger communities across the Emirates. Over the years, the property giant has implemented diverse initiatives that provide skill-building opportunities to local talent, promote community health and welfare, and foster diversity and inclusion. Aldar also supports several humanitarian projects to uplift communities across the region.

Aldar Properties Commitment to Corporate Social Responsibility:

Nurturing progressive, inclusive, and sustainable societies is at the centre of Aldar's vision and mission. Taking responsibility for the social and environmental impact of its corporate activities, the company is committed to developing programs that leave a positive impact where it operates.

In 2022, Aldar developed a Social Responsibility and Impact Framework to implement and review its CSR activities. The following diagram provides an account of all our CSR activities and their impact.



Initiatives launched in 2022:

- **Thrive Program:** A Scholarship program for children from low-income families and for high achievers.
- ***Sandooq Al Watan* Partnership:** Sponsors of projects such as the UAE Coder Program.
- **Emiratisation Programs:** Partnered on the Social Impact Bond managed by the *Ma'an* Social Investment Fund and the Abu Dhabi Social Support Authority. It includes various social welfare programs such as providing technical skills to eligible candidates to prepare them for employment.

- **Development and Restoration of Local Communities:** Partnered with the UAE Council for Rural Development to improve essential services to rural and remote areas of the Emirate.
- **Empowerment of People of Determination:** Partnered with the UAE Special Olympics and the Zayed Higher Organisation to provide services and skills to people with disabilities.
- **Community Welfare:** In 2019, Aldar became the first commercial enterprise to partner with the UAE's Authority of Social Contribution – *Ma'an* for social welfare programs. This year, in 2022, the ADH subsidiary signed a Social Impact Bond led by the Abu Dhabi Early Childhood Authority and *Ma'an*. It also signed an MOU with the Family Care Authority for strategic collaboration on welfare initiatives.

Other charitable causes included donations to the One Billion Meals Initiative as well as a partnership with the UAE Red Crescent.

Sandooq Al Watan:

One of Aldar's most valued CSR partnerships is with the UAE's national fund *Sandooq Al Watan*. The fund provides critical technical and life skills to young Emiratis through educational programs, environmental and sustainable development research, and entrepreneurial skill development workshops. The fund aims to empower the youth to enable them to contribute to the national economy and community development.

So far Aldar has pledged AED 15 million to *Sandooq Al Watan*, which makes its total investment amount to AED 150 million.

The company's initiatives in partnership with *Sandooq Al Watan* include:

- **UAE Coder:** This initiative aims to teach Emirati students advanced skills in the fields of mathematics and science. It conducts nationwide workshops and competitions with qualifying students learning specialised skills like robotics and artificial intelligence.
- **Mawhibatna:** This program is also geared toward Emirati students. The fund has partnered with Crimson Education to help students get admission in the world's top 100 universities.
- **Emirati Innovator:** This was launched to support entrepreneurship and innovation in technology to enable Emirati businesses to compete within the global market.
- **SWARD**: This program funds research projects in the fields of aerospace and defence, water management, healthcare, and genomics, and the fourth industrial revolution.

Our Planet

As a leading investor in core sectors of the UAE economy, ADH embraces its responsibility to the environment. We believe that we must protect the UAE's natural ecosystems, contribute to global efforts against climate change, and empower our people and the business community to become agents of improvement in the fight to protect our planet.

The UAE aims to be a world leader in environmental sustainability and is making rapid progress towards that goal. The government is working toward achieving net zero status by 2050, amongst other environmental objectives, and will host the leading global climate conference, COP28 in November 2023. To see its environmental agenda through, the government relies on private sector companies, such as ADH, to contribute to the protection and preservation of natural resources in the UAE.

At ADH, we recognise our capacity for positive change. We believe that we have a role to play in the UAE's vision of promoting ecological balance and environmental sustainability. ADH and its subsidiaries want to serve our people and planet by being environmentally conscious and responsible contributors to society.

MANAGING OUR ENVIRONMENTAL FOOTPRINT

(GRI 302-1, GRI 302-2, GRI 302-3, GRI 303-5, GRI 305-1, GRI 304, GRI 305-2, GRI 305-3, GRI 305-4, GRI 306-3, E1, E2, E3, E4, E5, E6, E7, E8, E9)

ADH and our subsidiaries strive to reduce our ecological footprint. We have further refined our internal environmental management systems and practices this year.

Several key subsidiaries, such as TCG, NMDC, and Aldar Properties, base their operations around their organisation-specific environmental management system (EMS). Their EMS outlines the processes and practices that need to be implemented to measure, reduce, and track their environmental footprint. Their commitment to preserving and protecting the environment is now globally recognised, with each subsidiary being certified with the ISO 14001 EMS standard.

OUR CARBON FOOTPRINT

Managing and reducing the group's collective greenhouse gas and carbon emissions will be a key focus of ADH and its subsidiaries moving forward. The first step in doing so is to measure and track emissions on a subsidiary level. Last year, ADH moved in that direction by initiating the consolidated carbon emissions calculation of the subsidiaries included in its reporting boundary.

The methodology calculates greenhouse gas emissions in accordance with the GHG Protocol (Corporate Standard). This year's computations go one step further to include selected elements under Scope 3 emissions. For a detailed breakdown of the emissions, please consult the Environmental Sustainability Data Sheet found in the appendix section.

OUR ENVIRONMENTAL FOOTPRINT

ADH subsidiaries have waste and water management plans to keep the environmental footprint in check. In addition, our subsidiaries strive to eliminate paper usage through digitalisation.

TGC and NPC, for example, have digitised 20% of all their paper documents and records so far.

At Pure Health, a paperless initiative was rolled out on a corporate level to reduce paper consumption by about 90%. In addition, Pure Lab, a pure health subsidiary, uses an online document management system to reduce its paper consumption. Another PHMS subsidiary, SKGH, has implemented a managed printing solution to control the number of prints per user to eliminate the needless usage of paper.

Aldar Properties has instituted similar initiatives across its developments as well. These efforts have yielded encouraging results. Aldar is also planning to reduce paper usage by transitioning to paperless hotels and implementing paperless financial management and paperless procurement.

2022 Energy Consumption

Energy Consumption (GJ)			**ADH Operations**	**NMDC Group**	**Pure Health**	**Trojan Construction Group**
Energy Consumption	**Fuel Consumption**	**Petrol**	N/A	30,796.41	0.00	41,038.81
		Diesel	N/A	3,138,770.17	3,697.32	1,321,020.05
	Electricity Consumption		10.18	276,284.91	322,622.42	37,623.84
	Chilled Water		110,700.37	2,000,878.68	0.00	0.00
Direct Energy Consumption per Subsidiary			N/A	3,169,566.58	3,697.32	1,362,058.86
Indirect Energy Consumption per Subsidiary			110,710.55	2,277,163.58	322,622.42	37,623.84
Total Energy Consumption per Subsidiary			110,710.55	5,446,730.17	326,319.74	1,399,682.70
TOTAL DIRECT ENERGY CONSUMPTION			**4,535,322.76**			
TOTAL INDIRECT ENERGY CONSUMPTION			**2,748,120.40**			
TOTAL ENERGY CONSUMPTION			**7,283,443.16**			

2022 Energy Intensity (GJ/Employee)	**ADH Operations**	**NMDC Group**	**Pure Health**	**Trojan Construction Group**
Direct Energy Intensity	N/A	266.17	0.70	58.97

Indirect Energy Intensity	6,919.41	191.23	61.07	1.63
Total Energy Intensity per Subsidiary	6,919.41	457.40	61.77	60.60
TOTAL ENERGY INTENSITY	**180.72**			

Note: Aldar Properties' energy data was not available at the time of publishing the report.

2022 GHG Emissions Data

GHG Emissions (MT CO2e) *	**ADH Operations**	**NMDC**	**Pure Health**	**Trojan Construction Group**	**Aldar Properties**
Scope 1	N/A	231,869.07	4,675.54	90,965.11	2,087.00
Scope 2	12,427.22	254,528.11	36,215.37	4,223.39	230,567.00
Scope 3	N/A	456,025.05	1,159.93	59,160.20	1,403,248.45
Total Emissions per Subsidiary	12,427.22	942,422.22	42,050.85	154,348.70	1,635,902.45
TOTAL SCOPE 1	329,596.72				
TOTAL SCOPE 2	537,961.10				
TOTAL SCOPE 3	1,919,593.63				
TOTAL EMISSIONS	**2,787,151.45**				

**For a detailed breakdown of the emissions, please consult the Environmental Sustainability Data Sheet found in the appendix section.*

GHG Emissions Intensity (MT CO2 e/Employee)	**ADH Operations**	**NMDC**	**Pure Health**	**Trojan Construction Group**
Scope 1 Intensity	N/A	19.47	0.89	3.94
Scope 2 Intensity	776.70	21.37	6.86	0.18
Scope 3 Intensity	N/A	38.30	0.22	2.56
Total Emissions Intensity per Subsidiary	776.70	79.14	7.96	6.68
TOTAL EMISSIONS INTENSITY	**67.92**			

Case Study: Aldar Properties
Building a Greener Future

Introduction:

The global movement to reduce carbon emissions and adopt environmentally friendly practices in line with UN SDGs is gaining momentum. The UAE is at the forefront of this movement, aspiring to set an example for the world to follow. Notably, the UAE has committed to achieving Net Zero emissions by 2050 in its bid to build a greener future.

As one of the largest real estate developers in the UAE, Aldar Properties is playing a significant role in helping the UAE achieve net zero emissions. To that end, decarbonisation is the real estate giant's foremost priority in the future.

In its mission to reduce its carbon footprint, the company has taken several bold initiatives over the years. In 2021, Aldar committed to achieving Net Zero emissions by 2050, which goes above and beyond its earlier goal of carbon neutrality. It has developed an Action Plan incorporating all aspects of its commercial activities to ensure compliance with its Net Zero pledge.

According to the Action Plan, Aldar will develop construction capabilities according to the latest climate science to ensure low-carbon design and manufacturing across its projects. Additionally, the company will also ensure vendor and supply chain partners' compliance in achieving Net Zero emissions. As a real estate leader, Aldar can leverage its substantial influence over the industry to adopt eco-friendly operations. It will also work in partnership with the UAE government to reduce the carbon footprint in the real estate and construction industry.

Achieving Net Zero emissions come with long and short-term goals. In the long-term, it requires large-scale technological innovation and development. In the short term, sustainable industry practices are required across the value chain. To achieve its long and short-term goals, Aldar is implementing changes to company-wide business practices and collaborating with key partners and suppliers.

Aldar's Net Zero Action Plan is a roadmap to the company's future. It will be vital to all their new endeavours and business projects.

[Box Insert:]

Aldar Properties Workers Welfare Program

In addition to its environmental sustainability efforts, Aldar is committed to contributing positively to its people and communities. It is reflected in the company's commitment to upholding workers' rights. Its policies and initiatives ensure the dignity of labour, health, human services, and the protection of individual rights.

The company has taken several measures to ensure that its contractors and sub-contractors follow international labour laws and standards. It requires its suppliers and vendors to provide reasonable accommodation, healthcare, timely pay to all their workforce, paid annual leave, adherence to workplace safety standards, and access to personal travel documents.

Aldar takes steps to vet prospective vendors and contractors during procurement tenders, ensuring that they follow international labour standards.

The ADH subsidiary continues to champion workers' rights in the Middle East and ensures they are upheld at every touch point in the supply chain. In 2021, it initiated a grievance hotline available to all workers to register complaints against any employer. The grievances are taken seriously, with further investigations carried out for each one.

EMBEDDING CLIMATE RISK

(E10)

Climate change is a societal issue and a business risk. In this context, solving climate change challenges also gives rise to new business opportunities.

As a global corporate citizen, we seek to play an active role in both climate mitigation and adaptation. This year we expanded our footprint in renewable energy and are looking to invest more in the sustainable energy sector going forward.

---------- *Standalone Box*

In 2022, ADH notably invested in a 2,000 MW renewable energy project through its subsidiary, W Solar Investment. The project is spearheaded by the General Electricity Company of Libya (Gecol) and will focus on building a solar photovoltaic power plant in the North African country.

Also, through our subsidiary Mawarid, we aim to demonstrate a catalytic adaptive approach to actively managing desertification.

Case Study: Mawarid Holding
Breathing Green Life into the Deserts of Abu Dhabi

Mawarid Holding Investments is one of Alpha Dhabi Holding's leading subsidiaries when it comes to sustainability management. While the investment firm remains outside the reporting boundary threshold, the ground-breaking environmental work done by Mawarid in recent years warrants mention in this year's ESG report.

Mawarid - A Leading Sustainability Investment Group

Mawarid Holding Investments was founded in 2017. It has since emerged as a leading investor in the Emirati environmental protection and conservation space. The company's diverse investment portfolio comprises some of the UAE's top environmental organisations across eight core sectors:

- Forest Management
- Animal Management & Resources
- Water Resources & Infrastructure
- Eco-Tourism Services
- Research & Development
- Tailored Landscaping & Farming
- Organic/Non-Organic Recycling
- Agro-Environment



The group is a key investor in the following organisations:

1. Barari Natural Resources

- Leader in forestry, wildlife, and water management and conservation
- 8,000+ employees
- 65,000+ animals covering 25 species managed
- 500 forests and reserves under protection

2. Mawarid Services LLC
   - Leader in landscaping, farm management, and wildlife conservation
   - Also produces and manages animal feed
   - 2,500+ technical and administrative staff
   - Specialised laboratories for R&D

3. Mawarid Nurseries
   - Leader in plant nurseries
   - One of the largest plant cultivators and importers
   - Deals in a variety of native and ornamental plant species

4. Emirates Safety Lab
   - Leader in fire safety testing and technology
   - Largest certification body and testing laboratory in the region for fire safety and building materials.
   - Approved by the UAE civil defence
   - Provides professional security and safety training

5. Telal Resort
   - The first desert eco-tourism resort in the Middle East
   - 5-Star property in the lush oasis of Al Ain
   - 80 square kilometres of natural conservation areas included

6. Mawarid Desert Control
   - Leader in climate-smart agriculture solutions
   - Focuses on sustainable ecosystem management
   - On a mission to fight desertification and soil degradation
   - Campaigns complete solutions
   - Leader in property management
   - Provides facilities services to corporate offices, airports, industrial sites, and more
   - Focuses on sustainable solutions

7. Mawarid R&D Centre
   - Leader in environmental R&D
   - Employs specialists in forest management, irrigation tech, and wildlife management
   - Conducts scientific pilot programs to bolster UAE's sustainability

Forest Management at Mawarid

Forest Management is at the heart of Mawarid's inspiring sustainability story. In the early days of its mission to take care of the UAE environment, Mawarid decided to primarily focus its resources on preserving and protecting the country's land.

The UAE is one of the world's most hyper-arid countries, with an area of over 71,000 square kilometres. Most of the country comprises a sandy desert that supports a wide range of sparse seasonal vegetation. Under the UAE's desert landscape are some of the most interesting ecological habitats supporting some of the world's most stunning flora and fauna. However, climate change and harmful human activity threaten the country's land resources and biodiversity. Desertification, droughts, and soil degradation are becoming increasingly common. Mawarid is one of the UAE's sustainability-driven groups of companies focusing on addressing these critical environmental issues.

However, what sets Mawarid apart is its unique and ground-breaking approach to solving desertification. Most environmental change-makers in the UAE and across the region are focusing on indirect measures to slow desertification and mitigate the harmful consequences for biodiversity. Mawarid, on the other hand, is working with its key subsidiaries, including Barari Natural Resources and Mawarid Desert Control, to actively reverse desertification.

Sustainably Transforming Deserts into Forests

Mawarid is leveraging advanced agriculture technology and innovative farming and forest management methods to convert deserts in Abu Dhabi and the UAE into forests and woodlands. This transformation is made possible through the implementation of advanced irrigation systems, careful cultivation, acclimatisation, relocation of trees, and meticulous maintenance of the new forestlands created.

Mawarid and its subsidiaries ensure that the end-to-end forestation process and the continued maintenance required afterward, remains sustainable across all fronts. The group primarily focuses on sustainable waste and water management.

Sustainable Waste Management: Every year, 80,000 tonnes of green animal waste is collected from the forests under Mawarid management and recycled into compost. Recycling waste into fertiliser significantly reduces the greenhouse emissions of the forests. It also promotes the use of organic matter as fertiliser, which improves soil health and fertility.

Sustainable Water Management: Forests under Mawarid's management are kept alive using a vast and dense irrigation system comprising over 160,000 kilometres of irrigation pipes. Notably, a significant portion of this system is solar-powered, and all the pipes used are recycled at the end of their determined usage. Over 5,000 wells in the desert also supplement the irrigation network. Mawarid has a dedicated hydrology team on call to monitor groundwater levels and quality to make its use of groundwater across all managed forests as sustainable as possible. During the relocation and forest plantation stage, the team also ensure that all high water-consumption planet species are replaced with native plant species that are accustomed to the Emirates harsh climate.

Forest management teams employ several other water-saving techniques. Mulch is used to minimise water loss through evaporation. Mawarid Desert Control has especially developed Liquid Natural Clay (LNC) which is now used across all Mawarid forests and reserves to preserve water resources. The company's commitment to sustainable water management has ultimately resulted in over 89 million gallons of water savings being realised annually. With less water required, Mawarid is now eyeing the expansion of its forested land.

A Revolutionary ESG Impact

Mawarid and its subsidiaries currently manage over 438 forests and protected areas spanning 200,000 hectares of land in Abu Dhabi. The group collectively maintains over a million square metres of green areas across the UAE, conserving over 13 million tree species. In addition, Mawarid operates eight large nurseries for local plants with a capacity of more than 10 million seedlings per year.

The ESG impact of these desert forests unfolds in two main ways.

Environmental Impact:

The forests under Mawarid management function as carbon sinks. Based on the estimates provided by the Environment Agency - Abu Dhabi, Mawarid's desert forests offset about 346,674 million tonnes of carbon dioxide every year. They improve air quality and boost the local climate quality of Abu Dhabi. The forests are also instrumental in preserving biodiversity in the UAE. They are home to some of UAE's native, forest-adapted plant species that are initially bred in nurseries and then relocated. Through advanced seed preservation techniques, about 130 native species have been preserved from extinction. In addition, Mawarid has deployed sustainable solutions to rehabilitate degraded ecosystems and preserve natural habitats. In fact, the total forest area includes over 51,000 kilometres of wired fences protecting degraded land. The green forest initiative has also reintroduced endangered and indigenous wildlife into UAE's natural ecosystems. The forests provide natural cover and shelter to a wide range of fauna, including 25 species and 30 individual endangered birds.

Social Impact:

Mawarid's one-of-a-kind desert forestation initiative inspires the rest of the world to move beyond reactionary measures to leverage technology and save our forests. It raises community awareness by spearheading eco-tourism activities, including wildlife safaris, desert camping, and air-balloon flights to reserves and forests. Mawarid also engages the community through multiple edutainment programs.

Responsible Business Operations

A ROBUST AND ETHICAL GOVERNANCE

(GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-15, GRI 2-16, GRI 2-17, GRI 2-18, GRI 2-19, GRI 2-20, GRI 2-21, GRI 2-23, GRI 2-24, GRI 2-25, GRI 2-26, GRI 2-27, GRI 205-1, GRI 205-2, GRI 205-3, GRI 417-1, GRI 417-2, S1, S9, S10, G2, G3, G4, G5, G6)

We recognise that sustainable governance is a crucial ESG pillar.

1.1 ENSURING RESILIENT OVERSIGHT AND GUIDANCE

ADH is led by an experienced and established Board of Directors comprising four independent, non-executive leaders and ADH's Managing Director and CEO. The Board members bring extensive and diverse experience and qualifications to the table. One of the five members is a visionary female business leader in the UAE. The Board was newly elected last year after ADH's successful IPO on the Abu Dhabi Securities Exchange (ADX).



Mr. Mohamed Thani Murshed Ghannam Alrumaithi
Chairman



Mr. Syed Basar Shueb Syed Shueb
Vice Chairman



Mr. Hamad Salem Mohammed Saeed Alameri
Board Member, Managing Director and CEO



Ms. Sofia Abdellatif Lasky
Board Member



Mr. Sultan Dhahi Sultan Massam Alhemeiri
Board Member

The Board of ADH is tasked with setting the firm's long-term sustainability-focused strategic direction. They guide the management team in executing plans that create sustainable stakeholder value. In addition, the Board provides oversight of the company's business operations to ensure ADH continues to grow ethically in line with its ESG goals and duties to its stakeholders.

To conduct its oversight responsibilities efficiently and effectively, the Board established four governance committees post-IPO. These four committees ensure effective governance in four different business areas.

Audit Committee: Responsible for overseeing ADH's financial reporting and establishing internal financial management and reporting controls. The committee's goal is to ensure transparency and proper risk management.

Nomination and Remuneration Committee: Responsible for overseeing the group's human resource management and for determining the fair and ethical remuneration of group Directors and Senior Management.

Insider Trading Supervision Committee: Responsible for overseeing market transactions of ADH employees through proper record keeping. The Insider Trading Supervision Committee is tasked with market reporting that aligns with applicable regulations.

Investment Committee: Responsible for providing strategic guidance to the Board and Management on investment decision-making and ensuring decision alignment with ADH's overall investment strategy and objectives.

1.2 FOSTERING A FAIR AND ETHICAL CULTURE

People are at the heart of ADH and are responsible for its rapid growth in recent years. ADH and its subsidiaries place great importance in promoting and fostering a fair and ethical workplace culture. The group seeks to lay out policies, procedures and practices that promote a standard of ethical practices that go beyond the legal and regulatory minimum thresholds.

Case Study: Trojan
Beacon of Operational Excellence in Construction

Trojan Construction Group (TCG) has been at the forefront of construction and real estate development in the UAE for over two decades. In that time, the group has led by example. It has surpassed and elevated the industry's standards for operational integrity, efficiency, and safety.

The two main subsidiaries of TCG, Trojan General Contracting (TGC) and National Projects & Construction (NPC), are known industry-wide for their commitment to delivering high-quality projects that exceed client expectations. To achieve excellence, they use state-of-the-art equipment, finding newer ways to bolster operational efficiency without compromising on health and safety standards and protocols. Embracing this construction approach has allowed both organisations to consistently outperform competitors and establish themselves as ideal employers for local and global talent in construction.

Trojan General Contracting's Track Record:

TGC was launched in 2009 under the Trojan Construction Group umbrella. Within the decade, the company has executed a diverse range of construction projects in core sectors of the UAE economy. Its commitment to operational excellence and worker health and safety has catapulted it to top of the industry. Today, TGC operates an expansive array of plants and machinery and employs around 12,000 construction experts and labourers.

TGC's industry success is grounded in its environment, health, and safety vision. Since its inception, the company has not wavered in its mission to provide regular training to all personnel, adhere to international occupational health and safety (OHS) standards, and maintain its employee well-being at the highest possible levels.

National Projects & Construction's Track Record

NPC has been an industry leader since 2003. It is renowned for providing exceptional contracts to real estate developers in the UAE. Over the years, NPC has assumed the contractor role in constructing some of UAE's most prolific residential and commercial properties. As a result, NPC has grown exponentially over the decades. Today, it employs over 7,000 construction experts and labourers and operates over AED 150 million worth of plant and machinery.

Following its parent group's footsteps, NPC has committed itself to providing its employee base with all the resources they need to work at their natural best in a safe and secure environment.

Certified Safe and Secure

TGC and NPC's commitment to operational excellence and maintaining occupational health and safety is well recognised locally and globally. Both organisations are constantly assessing their compliance in line with international

operational standards and striving to add to their existing certifications. By the end of 2021, TGC and NPC held the following ISO certifications:

- *ISO 45001:* International standard for health and safety at work
- *ISO 14001:* International standard for environmental management
- *ISO 9001:* International standard for quality management
- *ISO 27001:* International standard for information security

This year, both NPC and TGC completed their compliance with two additional ISO standards:

ISO 26000: International standard for social responsibility. ISO 26000 provides guidelines to businesses looking to operate socially and responsibly. It also helps an organisation assess its sustainability performance.

ISO 31000: International standard for risk management: ISO 31000 specifies organisations' requirements for adequate risk management. It provides reassurance regarding economic resilience, professional reputation, and environmental and safety outcomes.

In the coming year, NOC and TGC are aiming to expand their certification list by completing their compliance to protocols established in the following two ISO standards:

ISO 22301: International standard for security and resilience of business management systems. ISO 22301 outlines the measures required for an organisation to ensure operational continuity and mitigation of risks from disruptions.

ISO 50001: International standard for energy management. ISO 50001 is designed for organisations that want to conserve resources and improve their bottom line through efficient energy management.

Occupational Health and Safety at TCG

Construction is an inherently dangerous endeavour. Without strict rules and regulations governing operational practices in the construction sector, the risk of accidents, injuries and the loss of human life can be significant. However, with technological advances and compliance with the latest safety standards and protocols, these risks can be mitigated and even entirely avoided.

NPC and TGC are wholly committed to ensuring that the highest occupational health and safety protocols are followed at all their working sites. Both companies have extensive OHS management systems in place that are regularly audited internally and externally through ISO and OSHAD.

OHS management at NPC and TGC is multi-faceted. OHS is ensured through regular training, education of personnel, and policy development. Both companies have extensive training programs to ensure all employees are up to date on the latest safety protocols, tools, and methods. In 2022, the training programs at NPC and TGC were expanded to include final assessments and evaluations. In addition, all training is now delivered digitally to reduce the companies' paper consumption. The training program at both firms comprises 67 separate pieces of training, drills,

and safety campaigns, including behavioural-based safety training, crane operations training, chemicals handling training, accident reporting and prevention training, and more.

2022 saw NPC and TGC meet all their predefined OHS targets. The targets for the upcoming year have been set as follows:

- At least 3 hours of training per employee per month, assessed and evaluated.
- A maximum accident frequency rate of 0.25%, i.e., one LTI per 4 million man-hours worked.
- A maximum accident severity rate of 3.5%, i.e., one day lost for each 0.28 million man-hours worked.

ECONOMIC GROWTH AND PROSPERITY

(GRI 201-1, GRI 203-2)

CONTRIBUTING TO THE LOCAL AND GLOBAL ECONOMY

As one of the UAE's largest public holding companies, ADH is strategically positioned to drive growth, innovation, and sustainable development in the UAE economy. Accordingly, the group’s growth and development has been aligned with the Abu Dhabi and UAE visions and missions for economic development and value creation.

As a key investor in core Emirati industries, ADH supports the country's economic aspirations by supporting its subsidiaries on the local and global stage. ADH promotes an ecosystem where subsidiaries are encouraged and empowered to grow sustainably, invest in technological innovation, become competitive on a global scale, and navigate market challenges. ADH champions a culture of leaning forward into future-oriented businesses and ventures.

ADH is also a key driver of economic diversification in the UAE. In recent years, the group has made sizable investments in multiple industries that form the bedrock of the UAE economy and are pillars of growth and innovation. ADH is positioned at the heart of the UAE's economic future, with its investments in sectors ranging from construction and real estate development to energy, infrastructure, and health-tech. We provide visionary entrepreneurs and businessmen in these fields with market connectivity, operational guidance, and sustainable growth and development support.

On an individual and community level, ADH is committed to providing gainful employment to its employees, enabling them to achieve their true potential in a learning-conducive environment. We provide opportunities to our workforce to help them advance in their careers and, ultimately, build a better life for themselves and their families.

Moving forward, we will continue to invest in businesses that create value for the local, regional, and global economy. We aim to further expand and diversify our portfolio in 2023 both locally and internationally. In doing so, we will focus on playing a role in the UAE becoming a hub for futuristic, sustainability-driven businesses, entrepreneurs, and change-makers.

TECHNOLOGY AND INNOVATION

(GRI 418-1, G6)

LEVERAGING TECHNOLOGY TO INNOVATE

Technology is key to managing and thriving in our rapidly changing environment. We view and strive to capitalise on technology through the following four lenses.

4.1 Technology and Agility

ADH believes being technology-focused is critical to maintaining a leading position in the market and competing globally. We push our companies to remain up to date on industry-relevant technology advancements and invest in innovative technology-oriented solutions for their customers. Leveraging the right technology solutions and systems allows our subsidiaries to stay flexible and agile when navigating rapidly evolving market dynamics.

4.2 Technology and Operational Efficiency

Operational software and digitisation now afford our operational subsidiaries the opportunity to streamline processes, enhance operational flexibility, and unlock cost savings. Our companies seek to use technology to their advantage to bolster competitiveness and deliver time and cost sensitive solutions to customers.

4.3 Digital Transformation at ADH

ADH looks for ways to unlock group synergies through technological advancements, such as Artificial Intelligence and Machine Learning. In so doing, the group recognises that there are added requirements for enhancing data privacy and cybersecurity. The ADH ecosystem remained safe from cyberattacks in 2022, despite our group's increasing digital footprint. Some of our most recent transformative initiatives include the rolling out: (i) ADHMS, a data collection system that connects the ADH portfolio of companies to streamline data and information sharing. (ii) An investor-relations mobile application enables ADH to more actively engage with investors; it keeps them updated on key subsidiary developments, upcoming investments, acquisitions, and portfolio performance data points; and (iii) A digitised mass purchase and procurement system that provides select ADH subsidiaries with an integrated, central solution for their commodity purchases. The use of this system has already resulted in savings worth AED 9 million for four ADH subsidiaries in the construction, real estate development, and marine infrastructure space.

4.4 A Technology-Oriented Investment Strategy

The UAE's 'We the UAE 2031' Vision places an accent on using the latest technologies to enhance government performance and infrastructure development. ADH, staying true to our alignment with this national vision, has placed importance on making investments in technology-focused companies. We are constantly looking to join forces with businesses that understand the

importance of technology in today's environment and are committed to using digital processes to drive innovation and sustainable development.

Case Study: PHMS

Driving Digital Progress in Healthcare

Digitisation has become a strategic necessity for businesses in today's complex and dynamic world. It entails transitioning away from outdated systems and processes by leveraging technological solutions to maximise efficiency. This digital transformation is happening across all industries, including healthcare, and can significantly improve proficiency and business competitiveness.

Unlocking The Benefits of Digitisation in Healthcare

Higher Efficiency: Digitisation enables the optimisation of internal medical/healthcare information systems through improved coordination between departments, minimising redundancies and bottlenecks in back-end processes. It also reduces dependencies on manual labour, eliminates human error, and increases productivity.

Increased Competitiveness: By using digital processes in their day-to-day operations, healthcare organisations can bolster their operational flexibility to manoeuvre unexpected challenges. Digitisation can provide them with real-time data and analytics, making it easier for them to make decisions quickly and stay ahead of the curve.

Enhanced Customer Experience: Digitisation allows for a better understanding of customer needs. Through digitisation of medical data as well as operational processes, healthcare providers and health-tech innovators can provide improved patient care. Digital technology also improves research capabilities, paving the way for medical innovation and scientific discovery.

Cost Savings: Automation of processes not only minimises the risk of errors but also reduces overheads through decreased dependency on manual labour and physical infrastructures such as paper-based systems. It can also help lower costs for sourcing and distribution.

Digital Transformation at Pure Health Medical Services

Pure Health Medical Services (PHMS) is a key subsidiary of ADH, leading the health-tech space in the UAE. Digital transformation is central to PHMS's growth strategy. The company already has several initiatives in place to digitalise its processes. Through its tech-enabled, integrated healthcare platform, PHMS is poised to deliver a seamless customer experience and benefit from increased operational efficiency. In 2022, PHMS implemented two large-scale digital transformation projects:

Lab Connect System

Standard operating procedures for diagnostic labs require multiple processes and specialised equipment and personnel. As part of its digital transformation, Pure Health launched the Lab Connect System initiative to improve the efficiency, flexibility, scalability, and cost-effectiveness of its existing systems.

The new system includes a lab integration engine that centralises Pure Health's lab operations and connects all its outlets through a robust and secure network that facilitates faster data transfer and coordination.

The new initiative has yielded a number of advantages for PHMS, mainly:

- Automation of lab operations with reduced dependency on specialised personnel.
- Improving operational systems and processes, thereby improving the proficiency of lab technicians.
- Centralised and secured database of all patient records and lab orders accessible across the network.
- Optimised systems with rapid delivery of verified lab results to customers.
- Adoption of standard operating procedures across all labs and outlets.
- Improved processing speeds and response times.

Implementation Challenges

Pure Health had to overcome several key hurdles to implement the new system. All relevant parties had to be brought on board to help wean them off outdated systems and technology. Moreover, the market launch of the system relied on precise resource planning for a seamless transition.

Measuring Impact

Initially, the system was implemented in two group hospitals where 8,000 orders have been processed since 1st November 2022. The processing time was reduced by three hours on each order. This adds up to a combined savings of 24,000 hours of work.

In the next phase, the system will be implemented across all Pure Health outlets and operations.

Automated System for Distribution of Lab Results

One of the key requirements of a diagnostic lab is to deliver test results to customers/patients. This typically involves the collection of lab specimens, processing, and delivery to the customer. The entire process can be time-consuming. To speed up deliveries, Pure Health digitised its test result delivery system to expedite customer service and optimise resource application.

Data collection was automated so that verified test results could be shared online with customers who can access them at any point, once available.

The key benefits of this initiative include:

- Reduced paper consumption which not only reduces cost but is also eco-friendly.
- Improved processing speed and deliverables.
- Better customer service
- Lesser waste of resources

- Reduced manual work hours, seamless automated workflow, and reduced human error.
- Reduced overhead costs such as logistics.

Implementation Challenges

Some of the key challenges to the software solutions deployed under the transformation included convincing customers to sign up with a secure login and password, improving bandwidth and storage size to share large amounts of data, communicating with customers' networks to ensure delivery of results, and managing and consolidating multiple results for the same user.

Measuring Impact

The project is expected to reduce paper use by 300 pages daily, totalling an annual saving of 109,500 pages.

RESPONSIBLE SUPPLY CHAIN

(GRI 204-1, GRI 308-1, GRI 414-1, G4)

ENSURING RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Successful sustainable development entails the implementation of ESG-oriented initiatives across the business value chain. ADH aims to encourage and empower its subsidiaries to embed ESG considerations into their supply chain management.

The supply chain management evaluation of our subsidiaries reveals a need to integrate ESG, particularly in the procurement stage of operations. We are encouraging our companies to assess their suppliers from a holistic ESG perspective to eliminate this gap. This is vital because suppliers' ESG footprint greatly contributes to a company's own ESG impact and performance. Conducting a supplier ESG assessment can unmask ESG risk, adverse impact on suppliers, and the root causes of ESG shortfalls. These can be addressed and mitigated by either working with suppliers or replacing them.

Several tools can be used to conduct a supplier ESG assessment, including on-site audits, third-party inspections, and direct engagement with suppliers. At ADH, we believe in the following two sub-assessments:

Social Assessment: The objective is to determine suppliers' compliance with human rights laws, fair employment practices, workplace laws and ethics, safety regulations, and employee management best practices.

Environmental Assessment: The objective is to determine the suppliers' waste, water, and energy management, as well as the impact of their operations on climate change, land sustainability, and local biodiversity.

Encouraging Local Procurement

Responsible supply chain management also includes carefully evaluating sourcing locations. ADH encourages its subsidiaries to adopt a holistic approach to procurement decision-making. We want our companies to look beyond the financial advantages of sourcing raw materials internationally. Consequently, we encourage them to consider the economic benefits to the local economy and procuring from nearby.

Using local vendors is aligned with our commitment to the UAE economy as it helps bolster job creation, skills development, and business growth. It also creates long-term value for our subsidiaries. Being physically close to their suppliers allows for greater relationship building and streamlined deliveries.

	Total Number of Suppliers	Total Percentage of Local Suppliers
	ADH Operations	
2021	N/A	N/A

2022	N/A	N/A
	NMDC Group	
2021	3,638	82.85%
2022	3,921	81.15%
	Pure Health	
2021	422.00	85.31%
2022	1,404.00	80.77%
	Trojan Construction Group	
2021	9,442.00	94.99%
2022	11,806.00	95.00%
	Aldar Properties	
2021	N/A	N/A
2022	N/A	N/A
	TOTAL	
2021	13,502.00	69.10%
2022	17,131.00	72.10%

	Total Procurement Spending (in AED million)	**Total Percentage of Procurement Spending on Local Suppliers (in AED)**
	ADH Operations	
2021	N/A	N/A
2022	N/A	N/A
	NMDC Group	
2021	2,032.64	69.63%
2022	6,065.77	61.25%
	Pure Health	
2021	2,562.66	85.64%
2022	3,271.77	80.46%
	Trojan Construction Group	
2021	5,000.00	100.00%
2022	5,900.00	100.00%
	Aldar Properties	
2021	N/A	N/A
2022	N/A	N/A
	TOTAL	
2021	9,595.30	74.99%
2022	15,237.55	56.00%

Appendices

HUMAN CAPITAL

EMPLOYMENT

	Employees
	ADH Operations
2021	8
2022	16
	NMDC Group
2021	11,869
2022	11,908
	Pure Health
2021	1,297
2022	5,283
	Trojan Construction Group
2021	18,128
2022	23,096
	Aldar Properties
2021	517
2022	735
	TOTAL
2021	**31,819**
2022	**41,038**

	Total Employees by Gender			
	ADH Operations			
	Female	Male	Female (%)	Male (%)
2021	2	6	25.00%	75.00%
2022	6	10	37.50%	62.50%
	NMDC Group			
2021	215	11,654	1.81%	98.19%
2022	240	11,668	2.02%	97.98%
	Pure Health			
2021	592	705	45.64%	54.36%
2022	2,853	2,430	54.00%	46.00%
	Trojan Construction Group			
2021	99	18,029	0.55%	99.45%
2022	121	22,975	0.52%	99.48%
	Aldar Properties			
2021	194	323	37.52%	62.48%
2022	289	446	39.32%	60.68%
	TOTAL			
2021	**1,102**	**30,717**	**3.46%**	**96.54%**
2022	**3,509**	**37,529**	**8.55%**	**91.45%**

	Total New Hires			
	Female	**Male**	**Female**	**Male**
	ADH Operations			
2021	0	0	0.00%	0.00%
2022	6	10	100.00%	100.00%
	NMDC Group*			
2021	6	305	2.79%	2.62%

2022	59	887	24.58%	7.60%
	Pure Health			
2021	289	362	49%	51%
2022	1,283	1,602	45%	66%
	Trojan Construction Group			
2021	32	3,712	32.32%	20.59%
2022	50	7,026	41.32%	30.58%
	Aldar Properties			
2021	91	108	46.91%	33.44%
2022	126	165	43.60%	37.00%
	TOTAL			
2021	**418**	**4,487**	**37.93%**	**14.61%**
2022	**1,524**	**9,690**	**43.43%**	**25.82%**

	Total New Hires by Age Group					
	Below 30 years old	**Between 30-50 years old**	**Over 50 years old**	**Below 30 years old**	**Between 30-50 years old**	**Over 50 years old**
	ADH Operations					
2021	0	0	0	0.00%	0.00%	0.00%
2022	2	12	2	100.00%	100.00%	100.00%
	NMDC Group*					
2021	34	255	22	3.60%	2.81%	1.19%
2022	137	732	77	17.25%	7.86%	4.28%
	Pure Health**					
2021	243	370	38	69.03%	44.42%	33.93%
2022	1,055	1,758	72	138.63%*	45.43%	11.04%
	Trojan Construction Group					
2021	1,896	1,792	56	28.53%	17.03%	5.82%
2022	3,730	3,256	90	43.19%	24.51%	7.65%
	Aldar Properties					

2021	64	124	11	47.76%	49.84%	2.40%
2022	102	186	3	71.33%	34.64%	5.45%
	TOTAL					
2021	**2,237**	**2,541**	**127**	**27.95%**	**12.19%**	**4.27%**
2022	**5,026**	**5,944**	**244**	**48.62%**	**22.00%**	**6.62%**

**As a result of the 2022 closure of Tamouh's Covid-19 field hospitals and test centres, Pure Health underwent extensive restructuring, which resulted in turnover and hiring rates that exceeded 100%.

	Employees that Left			
	Female	Male	Female	Male
	ADH Operations			
2021	0	0	0.00%	0.00%
2022	0	0	0.00%	0.00%
	NMDC Group*			
2021	37	525	17.21%	4.50%
2022	39	367	16.25%	3.15%
	Pure Health			
2021	110	77	18.58%	10.92%
2022	1,778	2,033	62.32%	83.66%
	Trojan Construction Group			
2021	20	4,413	20.20%	24.48%
2022	32	2,413	26.45%	10.50%
	Aldar Properties			
2021	12	30	6.19%	9.29%
2022	32	43	11.07%	9.64%
	TOTAL			
2021	**179**	**5,045**	**16.24%**	**16.42%**

2022	**1,881**	**4,856**	**53.61%**	**12.94%**

	Employees that Left					
	Below 30 years old	**Between 30-50 years old**	**Over 50 years old**	**Below 30 years old**	**Between 30-50 years old**	**Over 50 years old**
	ADH Operations					
2021	0	0	0	0.00%	0.00%	0.00%
2022	0	0	0	0.00%	0.00%	0.00%
	NMDC Group*					
2021	38	369	155	4.03%	4.06%	8.41%
2022	41	300	65	5.16%	3.22%	3.61%
	Pure Health ****					
2021	58	122	7	16.48%	14.65%	6.25%
2022	1,463	2,251	97	N/A	58.17%	14.88%
	Trojan Construction Group					
2021	2,008	2,207	218	30.22%	20.98%	22.66%
2022	1,034	1,308	103	11.97%	9.85%	8.75%
	Aldar Properties					
2021	1	39	2	N/A	N/A	N/A
2022	23	47	5	16.08%	8.75%	9.09%
	TOTAL					
2021	**2,105**	**2,737**	**382**	**26.30%**	**13.13%**	**12.84%**
2022	**2,561**	**3,906**	**270**	**24.78%**	**14.46%**	**7.32%**

*NMDC (NPCC) data highlights for only white-collar workers

**As a result of the 2022 closure of Tamouh's Covid-19 field hospitals and test centres, Pure Health underwent extensive restructuring, which resulted in turnover and hiring rates that exceeded 100%.

	Total Turnover	Total New Hires
	ADH Operations	
2021	0.0%	0.0%
2022	0.0%	100.0%
	NMDC Group	
2021	4.7%	2.6%
2022	3.4%	7.9%
	Pure Health	
2021	14.4%	50.2%
2022	72.1%	54.6%
	Trojan Construction Group	
2021	24.5%	20.7%
2022	10.6%	30.6%
	Aldar Properties	
2021	8.1%	38.5%
2022	10.2%	39.6%
	TOTAL	
2021	**16.4%**	**15.4%**
2022	**16.4%**	**27.3%**

DIVERSITY AND INCLUSION

	TOTAL EMPLOYEES BY JOB CATEGORY AND BY GENDER %							
	ADH Operations							
	Labour		Entry-Level		Mid-Level		Senior-to-Executive Level	
	Female	Male	Female	Male	Female	Male	Female	Male
2021	0.00%	0.00%	100.00%	0.00%	100.00%	0.00%	0.00%	100.00%
2022	0.00%	0.00%	0.00%	0.00%	66.67%	33.33%	60.00%	40.00%
	NMDC Group							
2021	0.04%	99.96%	5.62%	94.38%	6.24%	93.76%	1.81%	98.19%
2022	0.14%	99.86%	5.98%	94.02%	5.32%	94.68%	2.73%	97.27%
	Pure Health							
2021	N/A	N/A	50.16%	49.84%	32.43%	67.57%	36.84%	63.16%
2022	5.17%	94.83%	54.19%	45.81%	51.65%	48.35%	53.63%	46.37%
	Trojan Construction Group							
2021	0.00%	100.00%	0.40%	99.60%	5.22%	94.78%	3.96%	96.04%
2022	0.00%	100.00%	3.02%	96.98%	6.67%	93.33%	4.53%	95.47%
	Aldar Properties							
2021	N/A	N/A	46.56%	53.44%	26.88%	73.12%	7.69%	92.31%
2022	N/A	N/A	53.52%	46.48%	27.11%	72.89%	16.22%	83.78%
	TOTAL							
2021	**0.01%**	**99.99%**	**19.88%**	**80.12%**	**10.87%**	**89.13%**	**7.52%**	**92.48%**
2022	**0.05%**	**99.95%**	**26.62%**	**73.38%**	**24.65%**	**75.35%**	**27.56%**	**72.44%**

TOTAL EMPLOYEES BY JOB CATEGORY AND BY AGE GROUP %												
ADH Operations												
Labour			Entry-Level			Mid-Level			Senior-to-Executive Level			
Below 30	Between 30-50	Over 50	Below 30	Between 30-50	Over 50	Below 30	Between 30-50	Over 50	Below 30	Between 30-50	Over 50

	years old	years old	years old	years old	years old	years old	years old	years old	years old	years old	years old	years old
2021	0.00%	0.00%	0.00%	100.00 %	0.00%	0.00%	100.00 %	0.00%	0.00%	0.00%	100.00%	0.00%
2022	0.00%	0.00%	0.00%	N/A	N/A	N/A	33.33%	66.67%	0.00%	0.00%	80.00%	20.00%
	NMDC Group											
2021	8.62%	78.36%	13.02 %	8.49%	72.60%	18.91%	5.56%	75.73%	18.71%	0.36%	52.17%	47.46%
2022	7.03%	80.04%	12.93 %	9.54%	73.71%	16.76%	3.80%	78.63%	17.56%	0.00%	58.18%	41.82%
	Pure Health											
2021	N/A	N/A	N/A	34.57%	60.02%	5.41%	10.04%	81.08%	8.88%	0.00%	60.00%	40.00%
2022	27.59%	63.79%	8.62%	21.10%	68.67%	10.23%	7.52%	79.49%	12.99%	1.66%	67.63%	30.71%
	Trojan Construction Group											
2021	40.58%	54.86%	4.55%	21.20%	74.62%	4.18%	13.36%	76.44%	10.19%	0.59%	80.47%	18.93%
2022	41.16%	54.56%	4.27%	15.45%	75.66%	8.89%	9.33%	80.00%	10.67%	0.72%	80.67%	18.62%
	TOTAL											
2021	**29.59 %**	**62.94%**	**7.46%**	**18.52%**	**69.49%**	**11.99 %**	**9.35%**	**76.40%**	**14.25 %**	**0.42 %**	**66.99%**	**32.59 %**
2022	**31.73 %**	**61.60%**	**6.67%**	**16.11%**	**72.17%**	**11.72 %**	**6.28%**	**79.19%**	**14.53 %**	**0.70 %**	**70.10%**	**29.20 %**

	Total Number of Nationalities
	ADH Operations
2021	5
2022	9
	NMDC Group
2021	60
2022	60

	Pure Health
2021	58
2022	80
	Trojan Construction Group
2021	35
2022	35

*Aldar's nationality breakdown by continent given below:

	Aldar Properties	
	2021	**2022**
UAE Nationals	192	309
Middle East	105	140
Africa	16	22
Asia	116	149
North America and Europe	88	105
South America and Australia	Not Available	10

Aldar's numbers on Parental Leave

Parental Leave	2021	2022
Male employees that took parental leave	7	15
Female employees that took parental leave	9	13
Male employees returning to work in the reporting period	7	15
Female employees returning to work in the reporting period	9	13
Return to work rate	100%	100%

EMIRATISATION

	Emiratisation Rate
	NMDC Group
2021	9.7%
2022	7.00%
	Pure Health
2021	N/A
2022	12.2%
	Trojan Construction Group
2021	0.8%
2022	1.5%
	Aldar Properties
2021	37.1%
2022	42.0%
	TOTAL
2021	**7.2%**
2022	**8.8%**

Note: Emiratisation rates have been calculated based on the total workforce, excluding labours

	Number of UAE Nationals	
	Female	**Male**
	NMDC Group	
2021	109	256
2022	N/A	N/A
	Pure Health	
2021	11	2
2022	476	164
	Trojan Construction Group	
2021	15	6

2022	33	12
	Aldar Properties*	
2021	N/A	N/A
2022	N/A	N/A
	TOTAL	
2021	135	264
2022	616	420

	Number of UAE Nationals		
	Below 30 years old	**Between 30-50 years old**	**Over 50 years old**
	NMDC Group		
2021	120	223	22
2022	N/A	N/A	N/A
	Pure Health		
2021	6	3	4
2022	260	339	41
	Trojan Construction Group		
2021	0	9	12
2022	9	26	10
	Aldar Properties*		
2021	N/A	N/A	N/A
2022	N/A	N/A	N/A
	TOTAL		
2021	126	235	38
2022	392	561	75

**Aldar Properties corporate workforce includes a total of 501 Emiratis in 2022. The breakdown per gender and employment category was not available at the time of publishing the report.*

TRAINING HOURS

	Total Training Hours		
	Female	**Male**	**TOTAL**
	NMDC Group		
2021	4,564	18,145	**22,709**
2022	5,639	59,685	**65,324**
	Pure Health		
2021	3,100	1,634	**4,734**
2022	20,883	28,226	**49,109**
	Aldar Properties		
2021	N/A	N/A	N/A
2022	4,021	4,783	**8,804**
	TOTAL		
2021	7,664	19,779	27,443
2022	30,543	92,694	123,237

	Total Training Hours			
	Labour	**Entry-Level**	**Mid-Level**	**Senior-to-Executive Level**
	NMDC Group			
2021	0	8,171	12,111	2,427
2022	7,339	17,873	24,579	15,534
	Pure Health			
2021	N/A	1,719	2,181	866
2022	0	7,026	9,242	3,998
	Aldar Properties			
2021	N/A	N/A	N/A	N/A
2022	N/A	4,728	3,867	209
	TOTAL			

2021	0	9,890	14,292	3,293
2022	7,339	29,627	37,688	19,741

PERFORMANCE REVIEW

	Total Number of Employees - Performance Review			
	Female	Male	Female %	Male %
	NMDC Group			
2021	210	4747	97.67%	40.73%
2022	215	4606	89.58%	39.48%
	Pure Health			
2021	474	564	80.07%	80.00%
2022	1987	1473	69.65%	60.62%
	TOTAL			
2021	684	5,311	62.07%	17.29%
2022	2,202	6,079	62.75%	16.20%

	Total Number of Employees - Performance Review							
	Labour	Entry-Level	Mid-Level	Senior-to-Executive Level	Labour	Entry-Level	Mid-Level	Senior-to-Executive Level
	NMDC Group							
2021	733	1648	1754	341	9.04%	96.49%	98.54%	31.78%
2022	770	1752	1962	318	10.00%	96.64%	97.13%	25.46%
	Pure Health							
2021	0	772	198	68	0.00%	81.87%	76.45%	71.58%
2022	0	2191	1251	303	0.00%	82.34%	66.68%	44.04%
	TOTAL							
2021	733	2,420	1,952	409	3.11%	65.37%	51.14%	26.77%
2022	770	3,943	3,213	621	2.76%	58.68%	65.30%	25.84%

COMMUNITY

	Total Amount in AED
	NMDC
2021	7,295,000.00
2022	7,757,000.00
	Pure Health
2021	69,452.38
2022	43,000.00
	TOTAL
2021	**7,364,452.38**
2022	**7,800,000.00**

Occupational Health and Safety

	Number of Fatalities	Number of Lost Time Injuries	Number of Workdays Lost Due to Injury	Number of Other Occupational Injuries	Number of High Potential Incidents	Number of Near Miss Incidents	Number of Hours Worked
	NMDC Group						
2021	1	2	80	55	14	245	52,723,783
2022	0	4	320	17	7	272	45,638,055
	Pure Health						
2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2022	0	1	3	37	1	137	N/A
	Trojan Construction Group						

2021	0	0	N/A	0	N/A	N/A	29,185,000.00
2022	0	0	N/A	0	N/A	N/A	181,896,000.00
	TOTAL						
2021	1	2	80	55	14	245	81,908,783.00
2022	0	5	323	54	8	409	240,732,686.00

	Number of Work-Related Fatalities	**Total Number of Work-Related Injuries Resulting in Lost Time**	**LTIFR**	**Number of Hours Worked**
	Aldar Properties (Contracted Workers)[1]			
2022	2	16	0.13	144,442,416
	Aldar Properties (Direct Employees)[2]			
2022	0		0.30	13,198,631.00
	Aldar Properties (Direct Employees)[3]			
2022	0	0	0	1,411,200

[1]Contracted Workers on Aldar Properties' construction sites and from their Community and Property Management subsidiaries
[2]Direct Employees from Aldar Properties' Facility Management subsidiary
[3]Direct Employees from Aldar Properties' Corporate offices

Procurement

	Total Number of Suppliers	Total Number of Local Suppliers
	NMDC Group	
2021	3,638	82.85%
2022	3,921	81.15%
	Pure Health	
2021	422.00	85.31%
2022	1,404.00	80.77%
	Trojan Construction Group	
2021	9,442.00	94.99%
2022	11,806.00	95.00%
	TOTAL	
2021	**13,502.00**	**69.10%**
2022	**17,131.00**	**72.10%**

	Total Procurement Spending (in AED)	Total Procurement Spending on Local Suppliers (in AED)
	NMDC Group	
2021	2,032.64	69.63%
2022	6,065.77	61.25%
	Pure Health	
2021	2,562.66	85.64%
2022	3,271.77	80.46%
	Trojan Construction Group	

2021	5,000.00	100.00%
2022	5,900.00	100.00%
	TOTAL	
2021	**9,595.30**	**74.99%**
2022	**15,237.55**	**56.00%**

	Total Number of New Suppliers in specified year	**Total Number of New Suppliers in specified year that were screened using environmental criteria**
	NMDC Group	
2021	N/A	N/A
2022	N/A	N/A
	Pure Health	
2021	N/A	N/A
2022	N/A	N/A
	Trojan Construction Group	
2021	2,385	2,385
2022	2,870	2,870
	TOTAL	
2021	2,385	2,385
2022	2,870	2,870

Environment

ENERGY (2022 Data)

Energy Consumption (GJ)			ADH Operations	NMDC Group	Pure Health	Trojan Construction Group
Energy Consumption	Fuel Consumption	Petrol	N/A	30,796.41	0.00	41,038.81
		Diesel	N/A	3,138,770.17	3,697.32	1,321,020.05
	Electricity Consumption		10.18	276,284.91	322,622.42	37,623.84
	Chilled Water		110,700.37	2,000,878.68	0.00	0.00
Direct Energy Consumption per Subsidiary			N/A	3,169,566.58	3,697.32	1,362,058.86
Indirect Energy Consumption per Subsidiary			110,710.55	2,277,163.58	322,622.42	37,623.84
Total Energy Consumption per Subsidiary			110,710.55	5,446,730.17	326,319.74	1,399,682.70
TOTAL DIRECT ENERGY CONSUMPTION			4,535,322.76			
TOTAL INDIRECT ENERGY CONSUMPTION			2,748,120.40			
TOTAL ENERGY CONSUMPTION			7,283,443.16			

Energy Intensity (GJ/Employee)	ADH Operations	NMDC Group	Pure Health	Trojan Construction Group
Direct Energy Intensity	N/A	266.17	0.70	58.97
Indirect Energy Intensity	6,919.41	191.23	61.07	1.63
Total Energy Intensity per Subsidiary	6,919.41	457.40	61.77	60.60
TOTAL ENERGY INTENSITY	180.72			

GHG EMISSIONS (2022 Data)

GHG Emissions (MT CO2 e)	ADH Operations	NMDC Group	Pure Health	Trojan Construction Group	Aldar Properties
Scope 1	N/A	231,869.07	4,675.54	90,965.11	2,087.00
Scope 2	12,427.22	254,528.11	36,215.37	4,223.39	230,567.00
Scope 3	N/A	456,025.05	1,159.93	59,160.20	1,403,248.45
Total Emissions per Subsidiary	12,427.22	942,422.22	42,050.85	154,348.70	1,635,902.45
TOTAL SCOPE 1	329,596.72				
TOTAL SCOPE 2	537,961.10				
TOTAL SCOPE 3	1,919,593.63				
TOTAL EMISSIONS	**2,787,151.45**				

GHG Emissions Intensity (MT CO2 e/Employee)	ADH Operations	NMDC Group	Pure Health	Trojan Construction Group
Scope 1 Intensity	N/A	19.47	0.89	3.94
Scope 2 Intensity	776.70	21.37	6.86	0.18
Scope 3 Intensity	N/A	38.30	0.22	2.56
Total Emissions Intensity per Subsidiary	776.70	79.14	7.96	6.68
TOTAL EMISSIONS INTENSITY	**67.92**			

GHG Emissions (MT CO2e) *

Scope	Item	Sub-item	ADH Operations	NMDC Group	Pure Health	Trojan Construction Group
Scope 1	Fuel consumption for Power Generators	Diesel	N/A	140,825.10	247.19	19,034.41
	Owned or leased vehicles, vessels, and marine equipment	Diesel	N/A	69,025.02	-	69,285.60
		Petrol	N/A	1,984.94	-	2,645.10
	Refrigerant Leakage		N/A	20,034.00	4,428.35	
Scope 2	Electricity		1.14	29,931.70	36,215.37	4,223.39
	Chilled Water		12,426.08	224,596.41	-	
Scope 3	Transportation, excluding owned modes	Petrol	N/A	815.43	-	
	Water		N/A	12,952.17	567.88	5,623.41
	Wastewater		N/A	441,747.22	148.87	1,778.99
	Paper		N/A	453.08	385.08	
	Waste		N/A	57.15	58.11	51,757.81
Total emissions per Subsidiary			**12,427.22**	**942,422.22**	**42,050.85**	**154,348.70**
TOTAL EMISSIONS			**2,093,671.23**			

**The emission composition for each scope is only presented for those companies for whom the information was accessible.*

Aldar's GHG Emissions Breakdown:

GHG Emission Scope		Reporting Criteria	2022
Scope 1		Emissions from fuels, including diesel, petrol, LNG and natural gas for assets where Aldar Properties has operational control	2,087.00
Scope 2		Emissions from electricity and chilled water from assets where Aldar Properties has direct operational control	230,567.00
Scope 3	Purchased goods and services	Emissions from purchased goods from water, and emissions from cooling and electricity for assets where management is purchased by Aldar Properties through a third party	248,101

	Capital goods	Emissions from embodied carbon which includes, materials, fuel used for equipment, worker transportation and site offices, and water.	770,769
	Waste generated in operations	Emissions from waste for assets where Aldar Properties has operational control	132,548
	Use of sold products	Operational emissions from the use of sold products	102,421
	Downstream leased assets	Operational emissions from tenanted spaces in retail and commercial spaces	149,409

WATER (2022 Data)

Water Consumption (m^3)	**NMDC Group**	**Pure Health**	**Trojan Construction Group**
Water Consumption	4,768,840.61	452,171.44	846,586.49
Total	**6,067,598.54**		
Water Consumption Intensity in m^3/Employee	400.47	85.59	36.66
Total	**150.61**		

WASTE

	Total Weight of Waste Generated by Category (in MT)			
	Paper/Cardboard	**Food/Inert Street Garbage**	**Concrete Rubble**	**Hazardous Chemicals**
	NMDC Group			
2021	0	3,424.07	2,336.98	-
2022	403.79	584,066.34	235.76	519.15
	Pure Health			
2022	981	N/A	N/A	0.6
	TOTAL			
2021	**-**	**3,424**	**2,337**	**-**
2022	**1,385**	**584,066**	**236**	**520**

	Total Weight of Waste Recycled (in MT)	
	Non-Hazardous Weight	**Hazardous Weight**
	NMDC Group	
2021	27,800.03	1,480.03
2022	12,315.50	328.26
	Trojan Construction Group	
2022	89,397.00	N/A
	TOTAL	
2021	**27,800**	**1,480**
2022	**101,713**	**328**

	Total Weight of Waste Recycled (in MT)						
	Paper/Cardboard	**Aluminium/Metal Scrap**	**Used Filters and Oily Waste**	**Wood/Broken furniture**	**Sand Waste**	**Concrete Waste**	**Agricultural Waste**
	NMDC Group						
2021	47.23	4,465.66	1,237.65	26,747.12	21,036.29	304.20	488.10
2022	84.39	817.59	120.62	11,437.06	143.67	143.57	-
	Trojan Construction Company						
2022	28	N/A	34.32	N/A	N/A	N/A	N/A
	TOTAL						
2021	**47**	**4,466**	**1,238**	**26,747**	**21,036**	**304**	**488**
2022	**112**	**818**	**155**	**11,437**	**144**	**144**	**-**

Key ESG Performance Indicators
GRI & ADX Index

GRI 1: FOUNDATION 2021				
Statement of Use	Alpha Dhabi Holding (ADH) has reported the information cited in this GRI content index for the period 1 January – 31 December 2022 in accordance with the GRI Standards.			
GRI 2: GENERAL DISCLOSURES				
GRI DISCLOSURE	**CONTENT**	**ADX DISCLOSURE**	**REFERENCE SECTION**	**NOTES**
The Organisation and its Reporting Practice				
2-1	Organisational details		3-5	
2-2	Entities included in the organisation's sustainability reporting	G7: Sustainability reporting G8: Disclosure Practices G9: External Assurance	3-5	
2-3	Reporting period, frequency and contact point	G7: Sustainability reporting G8: Disclosure Practices	3-5	
2-4	Restatements of information		3-5	
2-5	External assurance	G10: External Assurance	3-5	
Activities and workers				
2-6	Activities, value chain and other business relationships		7-12	
2-7	Employees	S3: Employee Turnover S4: Gender Diversity	7-12, 61-77	
2-8	Workers who are not employees	G4: Supplier Code of Conduct	7-12, 61-77	
Governance				

2-9	Governance structure and composition	G1: Board Diversity	51-52	
2-10	Nomination and selection of the highest governance body	G2: Board Independence	51-52	
2-11	Chair of the highest governance body		51-52	
2-12	Role of the highest governance body in overseeing the management of impacts		51-52	
2-13	Delegation of responsibility for managing impacts		51-52	
2-14	Role of the highest governance body in sustainability reporting	G3: Incentivised Pay	51-52	
2-15	Conflicts of interest	G6: Ethics & Anti-Corruption	51-52	
2-16	Communication of critical concerns		51-52	
2-17	Collective knowledge of the highest governance body		51-52	
2-18	Evaluation of the performance of the highest governance body		51-52	
2-19	Remuneration policies	G3: Incentivised Pay S1: CEO Pay Ratio S2: Gender Pay Ratio	51-52	
2-20	Process to determine remuneration	S2: Gender Pay Ratio	51-52	
2-21	Annual total compensation ratio	G3: Incentivised Pay S1: CEO Pay Ratio S2: Gender Pay Ratio	51-52	

Strategy, policies and practices				
2-22	Statement on sustainable development strategy	G8: Sustainability reporting G9: Disclosure Practices E8 & E9: Environmental Oversight	6	
2-23	Policy commitments		51-52	
2-24	Embedding policy commitments		51-52	
2-25	Processes to remediate negative impacts		51-52	
2-26	Mechanisms for seeking advice and raising concerns		51-52	
2-27	Compliance with laws and regulations	G7: Ethics & Anti-Corruption	51-52	
2-28	Membership associations	S1: CEO Pay Ratio	51-52	
Stakeholder engagement				
2-29	Approach to stakeholder engagement		13	
2-30	Collective bargaining agreements			Not applicable for companies operating in the UAE
GRI 3: MATERIAL TOPICS				
GRI DISCLOSURE	**CONTENT**	**ADX DISCLOSURE**	**REFERENCE SECTION**	**NOTES**
3-1	Process to determine material topics		13-17	
3-2	List of material topics		13-17	
3-3	Management of material topics		13-23	
GRI 200: Economic Standard Series				
GRI 201: Economic Performance 2016				

GRI 201 Topic Specific				
3-3	Management Approach		56	
201-1	Direct economic value generated and distributed		56	Please refer to our 2022 audited financial statements.
GRI 202: Market Presence 2016				
GRI 202 Topic Specific				
3-3	Management Approach		37-40	
202-2	Proportion of senior management hired from the local community	S11: Nationalisation	37-40	
GRI 203: Indirect Economic Impacts 2016				
GRI 203 Topic Specific				
3-3	Management Approach		56	
203-2	Significant indirect economic impacts		56	
GRI 204: Procurement Practices 2016				
GRI 204 Topic Specific				
3-3	Management Approach		62-63	
204-1	Proportion of spending on local suppliers	G4: Supplier Code of Conduct	62-63	
GRI 205: Anti-Corruption 2016				
GRI 205 Topic Specific				
3-3	Management Approach		51-52	
205-1	Operations assessed for risks related to corruption		51-52	
205-2	Communication and training about anti-corruption policies and procedures		51-52	
205-3	Confirmed incidents of corruption and actions taken	G5: Ethics & Prevention of Corruption	51-52	
GRI 300: Environmental Standard Series				

GRI 302: Energy 2016				
GRI 302 Topic Specific				
3-3	Management Approach	E10: Climate Risk Mitigation	41-46	
302-1	Energy consumption within the organization	E3: Energy Usage	41-46	
302-2	Energy consumption outside of the organization	E4: Energy Intensity E5: Energy Mix	41-46	
302-4	Reduction of energy consumption	E4: Energy Intensity E5: Energy Mix	41-46	
GRI 303: Water and Effluents 2018				
GRI 303 Topic Specific				
3-3	Management Approach		41-46	
303-5	Water Consumption	E6: Water Usage	41-46	
GRI 305: Emissions 2016				
GRI 305 Topic Specific				
3-3	Management Approach	E8 & E9: Environmental Oversight	41-46	
305-1	Direct (Scope 1) GHG emissions	E1: GHG Emissions	41-46	
305-2	Energy indirect (Scope 2) GHG emissions	E1: GHG Emissions	41-46	
305-3	Other indirect (Scope 3) GHG emissions	E1: GHG Emissions	41-46	
305-4	GHG emissions intensity	E1: GHG Emissions E2: Emissions Intensity	41-46	
GRI 306: Waste 2020				
GRI 306 Topic Specific				
3-3	Management Approach		41-46	
306-3	Waste generated	E7: Environmental Operations	41-46	
GRI 307: Environmental Compliance 2020				
GRI 306 Topic Specific				

3-3	Management Approach		41-46	
307-1	Non-compliance with environmental laws and regulations	E8 & E9: Environmental Oversight	41-46	
GRI 308: Supplier Environmental Assessment 2016				
GRI 308 Topic Specific				
3-3	Management Approach		62-63	
308-1	New suppliers that were screened using environmental criteria	E7: Environmental Operations	62-63	
GRI 400: Social Standard Series				
GRI 401: Employment 2016				
GRI 401 Topic Specific				
3-3	Management Approach		24-29	
401-1	New employee hires and employee turnover	S3: Employee Turnover S5: Temporary Worker Ratio	24-27	
401-2	Benefits provided to full-time employees that are not provided to part-time employees		24-27	
GRI 403: Occupational Health & Safety 2018				
GRI 403 Topic Management Disclosures				
3-3	Management Approach		29	
403-1	Occupational health and safety management system	S8: Global Health & Safety	29	
403-2	Hazard identification, risk assessment, and incident investigation		29	
403-3	Occupational health services		29	
403-4	Worker participation, consultation, and communication on		29	

	Occupational health and safety			
403-5	Worker training on occupational health and safety		29	
403-6	Promotion of worker health		29	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		29	
GRI 403 Topic Specific				
403-8	Workers covered by an occupational health and safety management system	S8: Global Health & Safety	29	
403-9	Work-related injuries	S7: Injury Rate	29	
403-10	Work-related ill health		29	
GRI 404: Training & Education 2016				
GRI 404 Topic Specific				
3-3	Management Approach		28	
404-1	Average hours of training per year per employee		28	
404-2	Programs for upgrading employee skills and transition assistance programs		28	
404-3	Percentage of employees receiving regular performance and career development reviews		28	
GRI 405: Diversity and Equal Opportunity 2016				
GRI 405 Topic Specific				
3-3	Management Approach		24-27	
405-1		S4: Gender Diversity	24-27	

	Diversity of governance bodies and employees	S6: Non-Discrimination	24-27	
		S11: Nationalisation	24-27	
		G1: Board Diversity	24-27	
405-2	Median Compensation		24-27	
GRI 406: Non-Discrimination 2016				
GRI 406 Topic Specific				
3-3	Management Approach		24-27	
406-1	Incidents of discrimination and corrective actions taken	S6: Non-Discrimination	24-27	
GRI 413: Local Community 2016				
GRI 413 Topic Specific				
3-3	Management Approach		37-40	
413-1	Operations with local community engagement, impact assessments, and development programs	S11: Nationalisation S12: Community Investment	37-40	
GRI 414: Supplier Social Assessment 2016				
GRI 414 Topic Specific				
3-3	Management Approach		62-63	
414-1	New suppliers that were screened using social criteria	S11: Nationalisation S12: Community Investment	62-63	
GRI 417: Marketing and Labelling 2016				
GRI 417 Topic Specific				
3-3	Management Approach		51-52	
417-2	Incidents of non-compliance concerning product and service information and labelling		51-52	
417-3	Incidents of non-compliance concerning marketing communications		51-52	
GRI 418: Customer Privacy				

GRI 418 Topic Specific				
3-3	Management Approach		57	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	G6: Data Privacy	57	