

Dubai Investments PJSC and its subsidiaries
Directors' report and consolidated financial statements
For the year ended 31 December 2025

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Directors' report

The Board of Directors ("the Board") of Dubai Investments PJSC ("the Company") is pleased to present their report along with the audited consolidated financial statements of the Company and its subsidiaries (together, "the Group") for the year ended 31 December 2025.

Principal activities

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

Financial performance

The Group has reported profit after tax attributable to the shareholders of the Company of AED 1,550.12 million for the year ended 31 December 2025 as compared to AED 1,205.38 million in the previous year.

Total assets of the Group stands at AED 23.28 billion as of 31 December 2025 (2024: AED 22.10 billion).

Dividend

In line with its commitment to provide enhanced returns to shareholders, the Board propose to distribute cash dividend of 25% (AED 0.25 per share) to the shareholders of the Company for the year 2025.

At the General Meeting held on 16 April 2025, the shareholders had approved a 18% (AED 0.18 per share) cash dividend proposed by the Board of Directors. The dividend amounting to AED 765.36 million was distributed in May 2025.

Proposed appropriations

The Directors propose the following appropriation from the retained earnings:

	AED'000
Transfer to legal reserve	231,120
Proposed cash dividend	1,063,005

Directors' fees

Proposed Directors' fees amounting to AED 30 million has been included under administrative expenses.

Outlook 2026

The Group is cautiously optimistic for 2026. UAE economy is expected to remain resilient despite the challenging macro environment and is well positioned to face current operating environmental challenges. The Group continues to focus on timely execution of ongoing real estate projects and continuing with its expansion plans. The Group is also actively evaluating investment opportunities across the various sectors and geographies.

Director's report (continued)

Directors

The Board of Directors comprise:

Mr. Abdulrahman Ghanem Abdulrahman Almutaiwee - Chairman
Mr. Khalid Jassim Mohammed Bin Kalban - Vice Chairman
Mr. Ali Fardan Ali Al Fardan
Mr. Mohammed Saif Darwish Ahmed Al Ketbi
Mr. Khaled Mohammed Ali Al Kamda
Mr. Ahmed Salem Abdulla Salem Alhosani
Mr. Faisal Abdulaziz Alshaikh mohamed Alkhazraji
Mr. Hussain Nasser Ahmed Lootah
Ms. Hind Abdulrahman AlAli

Related parties

The consolidated financial statements disclose material related party balances and transactions in Notes 19, 24 and 35 respectively. All transactions are carried out in the normal course of business and in compliance with applicable laws and regulations.

Auditors

KPMG Lower Gulf Limited ("KPMG") were appointed as the auditors of Dubai Investments PJSC for the year ended 31 December 2025. The Board of Directors propose to appoint KPMG Lower Gulf Limited ("KPMG") for the audit of the year ending 31 December 2026.

Acknowledgment

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

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



On behalf of the Board

Abdulrahman Ghanem Abdulrahman Almutaiwee
Chairman

24 March 2026



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Independent auditors' report

To the Shareholders of Dubai Investments PJSC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Dubai Investments PJSC (“the Company”) and its subsidiaries (“the Group”), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters (continued)

Valuation of investment properties

See Notes 3 and 12 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
<p>Valuation of investment properties</p> <p>Investment properties represent 47% of the Group's total assets. The Group's accounting policy is to measure its investment properties (primarily comprising infrastructure and ancillary facilities, plots of land, residential, retail and commercial facilities, labor camps and warehouses) at fair value at each reporting date. The property portfolio is valued at AED 10,919 million as at 31 December 2025. The net fair value gain recorded in the consolidated statement of profit or loss for the year ended 31 December 2025 amounted to AED 837 million.</p> <p>The Group engaged external valuers to fair value all of its investment properties.</p> <p>The property portfolio is valued by using a combination of income valuation approach - discounted cash flows model, income capitalisation approach and sales comparison approach. Key inputs into the valuation process are future contractual rental cash inflows, discount rates, market sales rates, yield rates, forecasted operating expenses, which are influenced by prevailing market forces and the specific characteristics, such as property location, income return, growth rate and occupancy rate of each property in the portfolio. Comparable transactions are also a key input.</p> <p>The valuation of the portfolio is a significant judgment area and is underpinned by a number of assumptions. The existence of significant estimation uncertainty warrants specific audit focus in this area as any error in determining the fair value could have a material impact on the value of the Group's investment properties and the fair value gain or loss recognized in respect of these investment properties.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> - We have evaluated the qualifications, competence and independence of the external valuers and assessed their terms of engagement with the Group to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations on their work. - We obtained the external valuation reports for all properties and involved our valuation specialist to assess the appropriateness of valuation approach and assumptions used by the valuers in determining the fair value of the properties. - On a sample basis, performed audit procedures to test the completeness and accuracy of the source data, provided to the valuation experts by management, used in determination of fair value by comparing it to underlying supporting information. - We assessed the adequacy of the disclosures in the consolidated financial statements against the requirements of the IFRS Accounting Standards.

Other Information

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

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

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

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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



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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Decree Law No. 32 of 2021, as amended, we report that for the year ended 31 December 2025:

- i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;
- ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. 32 of 2021, as amended;
- iii) the Group has maintained proper books of account;
- iv) the financial information included in the Directors' report is consistent with the books of account of the Group;
- v) as disclosed in note 13,15 and 37 to the consolidated financial statements, the Group has purchased shares during the year ended 31 December 2025;
- vi) note 35 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted;
- vii) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the financial year ended 31 December 2025 any of the applicable provisions of the UAE Federal Decree Law No. 32 of 2021, as amended, or in respect of the Company, its Articles of Association, which would materially affect its activities or its consolidated financial position as at 31 December 2025; and
- viii) note 7 to the consolidated financial statements discloses the social contributions made during the year ended 31 December 2025.

KPMG Lower Gulf Limited



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

Date: 24 March 2026

Dubai Investments PJSC and its subsidiaries

Consolidated statement of profit or loss

	Note	For the year ended 31 December	
		2025 AED'000	2024 AED'000
Sale of goods and provision of services		1,364,859	1,204,950
Rental income		1,191,215	1,051,408
Contract revenue		266,762	233,214
Sale of properties		633,807	1,028,758
Gain on fair valuation of investment properties	12	836,910	856,663
Gain on fair valuation of investments	13	150,204	114,218
Gain on sale of investment properties	12	22,926	2,057
Gain on sale of investments		4,951	32,074
Share of profit from equity accounted investees	15(iii)	107,901	84,822
Dividend income		48,362	53,188
Total income		4,627,897	4,661,352
Cost of sales and providing services	6	(2,088,967)	(2,308,689)
Administrative expenses	7	(586,631)	(505,992)
Finance costs	8	(360,607)	(420,008)
Net impairment losses on financial assets	5	(55,027)	(271,995)
Finance income	8	77,855	78,240
Other income	9	87,901	62,710
Profit before tax for the period		1,702,421	1,295,618
Income tax expenses			
Current tax expenses	38	(94,076)	(52,999)
Deferred tax expenses	38	(60,323)	(61,758)
Profit after tax for the period		1,548,022	1,180,861
Profit after tax attributable to:			
Owners of the Company		1,550,116	1,205,375
Non-controlling interests		(2,094)	(24,514)
Profit after tax for the period		1,548,022	1,180,861
Earnings per share			
Basic and diluted earnings per share (AED)	31	0.36	0.28

Dubai Investments PJSC and its subsidiaries

Consolidated statement of comprehensive income

	Note(s)	For the year ended 31 December	
		2025 AED'000	2024 AED'000
Profit after tax for the period		1,548,022	1,180,861
Other comprehensive income (“OCI”):			
Items that will not be reclassified to profit or loss			
Net change in fair value of investments at fair value through OCI	13(c)	13,026	(423)
Share of other comprehensive income/(loss) of equity accounted investees’	15(iii)	2,084	(5,538)
Share of exchange difference on translation of foreign equity accounted investees’	15	(1,199)	(14,649)
Deferred tax expense		(1,177)	-
Total other comprehensive income/(loss)for the year		<u>12,734</u>	<u>(20,610)</u>
Total comprehensive income for the year		<u>1,560,756</u>	<u>1,160,251</u>
Attributable to:			
Owners of the Company		1,562,858	1,184,771
Non-controlling interests		(2,102)	(24,520)
Total comprehensive income for the year		<u>1,560,756</u>	<u>1,160,251</u>

Dubai Investments PJSC and its subsidiaries

Consolidated statement of financial position

	Note	As at 31 December	
		2025 AED'000	2024 AED'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	1,511,251	1,469,398
Right-of-use-assets	23	259,084	291,876
Goodwill and intangible assets	11	231,713	237,098
Investment properties	12	10,918,764	11,189,467
Investments at fair value through other comprehensive income	13	92,867	79,852
Other financial assets at fair value through profit or loss	14	16,791	17,988
Investment in equity accounted investees'	15	1,448,726	1,490,089
Rent receivable	16	26,970	55,023
Trade receivables	18	573,821	362,425
Due from related parties and other receivables	19	66,626	1,402
Deferred tax asset	38	20,648	13,504
		<u>15,167,261</u>	<u>15,208,122</u>
Current assets			
Inventories	17	882,886	1,022,660
Investments at fair value through profit or loss	13	2,758,679	2,234,782
Trade receivables	18	2,637,203	2,123,764
Due from related parties and other receivables	19	460,101	503,110
Short-term deposits with banks	20	45,765	72,780
Cash and cash equivalents	20	1,270,317	933,619
Asset held for sale	12	56,206	-
		<u>8,111,157</u>	<u>6,890,715</u>
Total assets		<u>23,278,418</u>	<u>22,098,837</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	25	4,252,020	4,252,020
Share premium	25	46	46
Capital reserve	26	25,502	25,502
Legal reserve	27	1,891,552	1,660,432
General reserve	27	1,433,939	1,433,939
Fair value reserve	28	(164,187)	(178,128)
Foreign currency translation reserve	29	(15,848)	(14,649)
Proposed dividend	30	1,063,005	765,364
Retained earnings		6,417,266	6,170,427
Equity attributable to owners of the Company		<u>14,903,295</u>	<u>14,114,953</u>
Non-controlling interests	36	320,175	219,053
Total equity		<u>15,223,470</u>	<u>14,334,006</u>

Dubai Investments PJSC and its subsidiaries

Consolidated statement of financial position (continued)

	Note	As at 31 December	
		2025 AED'000	2024 AED'000
LIABILITIES			
Non-current liabilities			
Long-term bank borrowings	21	3,559,722	3,606,743
Lease liabilities	23	275,603	305,154
Other payables	24	6,720	56,096
Deferred tax liability	38	163,436	94,792
		<u>4,005,481</u>	<u>4,062,785</u>
Current liabilities			
Bank borrowings	22	1,770,884	1,797,678
Lease liabilities	23	41,550	37,579
Due to related parties, trade and other payables	24	2,237,033	1,866,789
		<u>4,049,467</u>	<u>3,702,046</u>
Total liabilities		<u>8,054,948</u>	<u>7,764,831</u>
Total equity and liabilities		<u>23,278,418</u>	<u>22,098,837</u>

To the best of our knowledge, the consolidated financial statements fairly presents, in all material respects, the consolidated financial position, results of operation and consolidated cash flows of the Group as of, and for, the year ended 31 December 2025.

These consolidated financial statements were authorised for issue by the Board of Directors on 24 March 2026 and signed on its behalf by:



Abdulrahman Ghanem Almutaiwee
Chairman



Khalid Jassim Bin Kalban
Vice Chairman & Chief Executive Officer

Dubai Investments PJSC and its subsidiaries

Consolidated statement of changes in equity

	Equity attributable to owners of the Company											
	Share capital AED'000	Share premium AED'000	Capital reserve AED'000	Legal reserve AED'000	General reserve AED'000	Fair value reserve AED'000	Foreign currency translation reserve AED'000	Proposed dividend AED'000	Retained earnings AED'000	Sub-total AED'000	Non-controlling interests AED'000	Total AED'000
Balance at 1 January 2025	4,252,020	46	25,502	1,660,432	1,433,939	(178,128)	(14,649)	765,364	6,170,427	14,114,953	219,053	14,334,006
Total comprehensive income for the year												
Profit after tax for the year	-	-	-	-	-	-	-	-	1,550,116	1,550,116	(2,094)	1,548,022
Other comprehensive income												
Net change in fair value of investments at fair value through OCI (Note 13 (c))	-	-	-	-	-	13,034	-	-	-	13,034	(8)	13,026
Share of other comprehensive loss of equity accounted investees (Note 15)	-	-	-	-	-	2,084	-	-	-	2,084	-	2,084
Exchange differences on translation of a equity accounted investee (Note 15)	-	-	-	-	-	-	(1,199)	-	-	(1,199)	-	(1,199)
Deferred tax expense	-	-	-	-	-	(1,177)	-	-	-	(1,177)	-	(1,177)
Total other comprehensive income for the year	-	-	-	-	-	13,941	(1,199)	-	-	12,742	(8)	12,734
Total comprehensive income for the year	-	-	-	-	-	13,941	(1,199)	-	1,550,116	1,562,858	(2,102)	1,560,756
Transactions with owners, in the capacity of owners												
<i>Contributions by and distributions to owners</i>												
Dividend paid (Note 30)	-	-	-	-	-	-	-	(765,364)	-	(765,364)	-	(765,364)
Proposed dividend (Note 30)	-	-	-	-	-	-	-	1,063,005	(1,063,005)	-	-	-
Dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	-	(17,679)	(17,679)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	297,641	(1,063,005)	(765,364)	(17,679)	(783,043)
<i>Changes in ownership interests</i>												
Acquisition of non-controlling interest (Note 37)	-	-	-	-	-	-	-	-	(5,893)	(5,893)	(17,747)	(23,640)
Contribution by non-controlling interests (Note 36)	-	-	-	-	-	-	-	-	-	-	149,105	149,105
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(5,893)	(5,893)	131,358	125,465
Total transactions with owners in the capacity of owners	-	-	-	-	-	-	-	297,641	(1,068,898)	(771,257)	113,679	(657,578)
Other movements												
Loss on liquidation of a subsidiary	-	-	-	-	-	-	-	-	-	-	(9,423)	(9,423)
Transaction costs on right issue of units	-	-	-	-	-	-	-	-	(3,259)	(3,259)	(1,032)	(4,291)
Transfer to reserves	-	-	-	231,120	-	-	-	-	(231,120)	-	-	-
Total other movements	-	-	-	231,120	-	-	-	-	(234,379)	(3,259)	(10,455)	(13,714)
Balance at 31 December 2025	4,252,020	46	25,502	1,891,552	1,433,939	(164,187)	(15,848)	1,063,005	6,417,266	14,903,295	320,175	15,223,470

Dubai Investments PJSC and its subsidiaries

Consolidated statement of changes in equity (continued)

	Equity attributable to owners of the Company											
	Share capital AED'000	Share premium AED'000	Capital reserve AED'000	Legal reserve AED'000	General reserve AED'000	Fair value reserve AED'000	Foreign currency translation reserve AED'000	Proposed dividend AED'000	Retained earnings AED'000	Sub-total AED'000	Non-controlling interests AED'000	Total AED'000
Balance at 1 January 2024	4,252,020	46	25,502	1,579,751	1,433,939	(172,173)	-	531,503	5,810,370	13,460,958	204,922	13,665,880
Total comprehensive income for the year												
Profit after tax for the year	-	-	-	-	-	-	-	-	1,205,375	1,205,375	(24,514)	1,180,861
Other comprehensive income												
Net change in fair value of investments at fair value through OCI (Note 13 (c))	-	-	-	-	-	(417)	-	-	-	(417)	(6)	(423)
Share of other comprehensive loss of equity accounted investees (Note 15)	-	-	-	-	-	(5,538)	-	-	-	(5,538)	-	(5,538)
Exchange differences on translation of a equity accounted investee (Note 15)	-	-	-	-	-	-	(14,649)	-	-	(14,649)	-	(14,649)
Total other comprehensive income for the year	-	-	-	-	-	(5,955)	(14,649)	-	-	(20,604)	(6)	(20,610)
Total comprehensive income for the year	-	-	-	-	-	(5,955)	(14,649)	-	1,205,375	1,184,771	(24,520)	1,160,251
Transactions with owners, in the capacity of owners												
<i>Contributions by and distributions to owners</i>												
Dividend paid (Note 30)	-	-	-	-	-	-	-	(531,503)	-	(531,503)	-	(531,503)
Proposed dividend (Note 30)	-	-	-	-	-	-	-	765,364	(765,364)	-	-	-
Dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	-	(8,274)	(8,274)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	233,861	(765,364)	(531,503)	(8,274)	(539,777)
<i>Changes in ownership interests</i>												
Sale of partial stake of a subsidiary without change in control (Note 37)	-	-	-	-	-	-	-	-	1,424	1,424	13,600	15,024
Contribution by non-controlling interests (Note 36)	-	-	-	-	-	-	-	-	-	-	33,541	33,541
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	1,424	1,424	47,141	48,565
Total transactions with owners in the capacity of owners	-	-	-	-	-	-	-	233,861	(763,940)	(530,079)	38,867	(491,212)
Other movements												
Loss on disposal of equity investments at fair value through OCI	-	-	-	-	-	-	-	-	(16)	(16)	(6)	(22)
Transaction costs on right issue of units	-	-	-	-	-	-	-	-	(681)	(681)	(210)	(891)
Transfer to reserves	-	-	-	80,681	-	-	-	-	(80,681)	-	-	-
Total other movements	-	-	-	80,681	-	-	-	-	(81,378)	(697)	(216)	(913)
Balance at 31 December 2024	4,252,020	46	25,502	1,660,432	1,433,939	(178,128)	(14,649)	765,364	6,170,427	14,114,953	219,053	14,334,006

Dubai Investments PJSC and its subsidiaries

Consolidated statement of cash flows

	Note(s)	For the year ended 31	
		December	
		2025	2024
		AED'000	AED'000
Cash flows from operating activities			
Profit before tax for the year		1,702,421	1,295,618
Adjustments for:			
Depreciation	10,23	154,607	156,974
Amortisation of intangible assets	11	14,876	13,599
Gain on disposal of property, plant and equipment	9	(36)	(288)
Gain on sale of investment properties	12	(22,926)	(2,057)
Gain on sale of investments		(4,951)	(32,074)
Gain on fair valuation of investment properties	12	(836,910)	(856,663)
Share of profit from equity accounted investees	15(iii)	(107,901)	(84,822)
Gain on fair valuation of investments	13	(150,204)	(114,218)
Net impairment losses on financial assets	5	55,027	271,995
Finance income	8	(77,855)	(78,240)
Finance costs	8	360,607	420,008
Operating profit before changes in working capital		1,086,755	989,832
Changes in:			
Investments at fair value through profit or loss and OCI		(378,070)	(60,018)
Trade receivables, due from related parties and other receivables		(135,217)	(315,844)
Inventories		139,774	454,053
Due to related parties, trade and other payables		331,534	(167,383)
Income tax paid		(52,743)	-
Directors' fee paid		(22,500)	(18,000)
Net cash generated from operating activities		969,533	882,640
Cash flows from investing activities			
Consideration paid for acquisition of non controlling interest		(23,640)	-
Additions to investment properties		(64,686)	(434,740)
Proceeds from disposal of investment properties		482,990	122,885
Acquisition of property, plant and equipment		(150,166)	(52,465)
Proceeds from disposal of property, plant and equipment		1,942	7,641
Dividend received from equity accounted investees'	15	153,697	160,346
Investments in equity accounted investees'	15	(3,548)	(79,513)
Movement in short term deposits		27,015	(3,678)
Additions to intangible assets	11	(9,491)	(8,250)
Net cash generated from / (used) in investing activities		414,113	(287,774)

Dubai Investments PJSC and its subsidiaries

Consolidated statement of cash flow (continued)

		For the year ended 31 December	
		2025	2024
		AED'000	AED'000
Cash flows from financing activities	Note		
Proceeds from bank borrowings		2,539,273	1,596,633
Repayment of bank borrowings		(2,668,133)	(1,515,996)
Principal elements of lease payments		(31,992)	(27,916)
Interest expenses on lease liabilities	8	(26,274)	(24,483)
Proceeds from sale of partial equity stake in a subsidiary	37	-	15,024
Equity contribution by non-controlling interests		149,105	33,541
Dividend paid to non-controlling interests		(17,679)	(8,274)
Dividend paid		(765,364)	(531,503)
Finance income received	8	44,065	38,356
Finance costs paid	8	(326,288)	(379,717)
Net cash used in financing activities		(1,103,287)	(804,335)
Net increase / (decrease) in cash and cash equivalents		280,359	(209,469)
Cash and cash equivalents at 1 January		827,889	1,037,358
Cash and cash equivalents at 31 December		1,108,248	827,889
Cash and cash equivalents comprise the following:			
Cash in hand, current and call account with banks	20	927,950	688,334
Short term deposits with banks (excluding those under lien)	20	342,367	245,285
Bank overdraft	22	(162,069)	(105,730)
		1,108,248	827,889

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025

1 Reporting entity

Dubai Investments PJSC (“the Company”) was incorporated in the United Arab Emirates by Ministerial Resolution No. 46 of 1995, on 16 July 1995. The consolidated financial statements for the year ended 31 December 2025 comprise the financial statements of the Company and its subsidiaries (collectively referred to as “the Group”) and the Group’s interest in equity accounted investees’. The shares of the Company are traded on Dubai Financial Market.

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

At 31 December 2025 the Company had 15,724 shareholders (2024: 15,956 shareholders).

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

2 Basis of preparation

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards (“IFRSs”) issued by International Accounting Standards Board and interpretations issued by the IFRS Interpretations Committee (“IFRS IC”) and the applicable requirements of the UAE Federal Decree Law No. 32 of 2021, as amended.

2.2 Basis of measurement

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

- investment properties (Note 12);
- investments at fair value through other comprehensive income (Note 13);
- investments at fair value through profit or loss (Note 13); and
- other financial assets at fair value through profit or loss (Note 14).

2.3 Functional and presentation currency

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

2.4 Use of judgments and estimates

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

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

Information about judgments in applying accounting policies, assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the consolidated financial statements is included in Note 3.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

2 Basis of preparation (continued)

2.5 Measurement of fair values

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

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

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

Significant valuation issues are reported to the Audit Committee.

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

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

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

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

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

- Note 12 – Investment properties;
- Note 13 – Financial investments; and
- Note 14 – Other financial assets at fair value through profit or loss

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

3 Accounting estimates and judgments

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

(a) *Valuation of investment properties*

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

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

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

(c) *Impairment of other non-current assets*

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

(d) *Determining fair values of financial investments*

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

(e) *Determination of incremental borrowing rate*

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

(f) *Determining the lease term*

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

3 Accounting estimates and judgments (continued)

(g) *Revenue recognition from sale of properties under development*

(i) *Satisfaction of performance obligations for property and land sales*

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

(ii) *Cost to complete of the properties under development*

The Group uses the percentage-of-completion method in accounting for its revenue from sale of properties held for development and sale. Use of the percentage-of-completion method requires the Group to estimate the cost incurred to date as a proportion of the total estimated project cost. The amount of revenue recognised for the period is in proportion to the percentage of cost incurred.

Using the proportion of cost incurred to date to the estimated cost of the project method requires the Group to estimate the obligations performed to date as a proportion of the total obligations to be performed under contracts with customers for sale of properties held for development and sale. These estimates include the cost of providing infrastructure, potential claims by contractors as evaluated by the project consultant and the cost of meeting other contractual obligations to the customers.

(h) *Recoverability of trade receivables*

The Group reviews its trade receivables to assess impairment at least on an annual basis. In determining whether impairment losses should be reported in the consolidated statement of profit or loss. In doing so, the Group exercises significant judgment taking into account the legal circumstances and the ability of the counterparty to repay the outstanding amount, where applicable, to estimate the likelihood of recoverability (Note 5).

(i) *Taxes*

The Group is subject to corporate taxes in the jurisdictions where it is implemented. Significant judgment is required to determine the total provision for current and deferred taxes. The Group established provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions are based on various factors and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

4 New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

New accounting standards or amendments	Effective date
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i>	01 January 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	01 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	01 January 2026
IFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	01 January 2027
IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	01 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 <i>Consolidated Financial Statements</i> and IAS 28 <i>Investments in Associates and Joint Ventures</i> **	To be determined

The following new or amended standards that are required to be adopted in annual periods beginning on or after 1 January 2025 that do not have a material impact on the Company's financial statements are as follows:

New accounting standards or amendments	Effective date
Lack of Exchangeability – Amendments to IAS 21	01 January 2025

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

5 Financial risk management

Overview

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

- credit risk
- liquidity risk
- market risk

Risk management framework

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

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

Credit risk

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

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

	2025 AED'000	2024 AED'000
Trade receivables (net) (Note 18)	3,211,024	2,486,189
Cash and cash equivalents (excluding cash in hand) (Note 20)	1,269,511	932,312
Due from related parties and other receivables (Note 19)	359,353	378,484
Investments in bonds and structured funds	339,052	311,683
Short-term deposits with banks (Note 20)	45,765	72,780
Rent receivable (Note 16)	26,970	55,023
	<u>5,251,675</u>	<u>4,236,471</u>

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

	2025 AED'000	2024 AED'000
Domestic	2,985,586	2,364,257
Other GCC countries	184,692	79,655
Other regions	40,746	42,277
	<u>3,211,024</u>	<u>2,486,189</u>

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

5 Financial risk management (continued)

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

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

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

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

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

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

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

Overall, the Group has a diversified customer base with no significant concentration of credit risk within trade receivables at 31 December 2025 and 2024 except for one customer that accounts for 17% (2024: 21%) of the gross trade receivables.

The movement in the allowance for impairment in respect of trade receivables, due from related parties and other receivables during the year was as follows:

	2025 AED'000	2024 AED'000
As at 1 January	788,404	519,192
Net impairment loss recognized	55,027	271,995
Write off during the year	(31,770)	(2,783)
As at 31 December	<u>811,661</u>	<u>788,404</u>

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

5 Financial risk management (continued)

Credit risk (continued)

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

The impairment provision as at 31 December 2025 was determined for the trade receivables within the real estate business, as follows, based on management assessment of default period being 180 days from the date the counter party fails to make contractual payment:

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2025				
Expected loss rate	0.44%	0.57%	8%	
Gross carrying amount	1,813,721	447,298	1,049,239	3,310,258
Loss allowance	7,908	2,567	86,399	96,874

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2024				
Expected loss rate	0.51%	6%	4%	
Gross carrying amount	1,324,332	238,425	1,118,031	2,680,788
Loss allowance	6,763	14,195	43,780	64,738

In addition to the above loss allowance, the Group has recognised specific impairment provision of AED 518.15 million as of 31 December 2025 (2024: AED 504.45 million).

The impairment provision as at 31 December 2025 was determined for the trade receivables, due from related parties and other receivables within the manufacturing and services business, as follows, based on management assessment of default period being 180 days from the date the counter party fails to make contractual payment:

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2025				
Expected loss rate	1%	8%	27%	
Gross carrying amount	422,710	46,285	135,230	604,225
Loss allowance	5,260	3,623	36,235	45,118

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

5 Financial risk management (continued)

Credit risk (continued)

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

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2024				
Expected loss rate	2.50%	5%	47%	
Gross carrying amount	296,785	55,921	163,336	516,042
Loss allowance	7,417	2,897	76,219	86,533

In addition to the above loss allowance, the Group has recognised specific impairment provision of AED 101.90 million as of 31 December 2025 (2024: AED 86.30 million).

The impairment provision as at 31 December 2024 was determined for the trade receivables within the contracting business, as follows, based on management assessment of default period being 365 days from the date the counter party fails to make contractual payment, which is based on the customary business practice in the contracting business:

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2025				
Expected loss rate	4%	5%	88%	
Gross carrying amount	52,122	7,369	48,711	108,202
Loss allowance	2,297	380	42,742	45,419

AED' 000	Current	More than 180 days overdue	More than 365 days overdue	Total
31 December 2024				
Expected loss rate	6%	4%	84%	
Gross carrying amount	24,849	4,738	48,176	77,763
Loss allowance	1,535	189	40,456	42,180

In addition to the above loss allowance, the Group has recognised specific impairment provision of AED 4.20 million as of 31 December 2025 (2024: AED 4.20 million).

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

5 Financial risk management (continued)

Credit risk (continued)

(b) Investments in bonds and structured funds

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

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

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

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

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

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

5 Financial risk management (continued)

Liquidity risk

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

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

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

	Carrying Amount AED'000	Contractual cash Flows AED'000	Within 1 year AED'000	1-2 years AED'000	2-3 years AED'000	More than 3 years AED'000
31 December 2025						
<i>Non-derivative financial liabilities</i>						
Borrowings (Notes 21 and 22)	5,330,606	(5,973,151)	(2,007,591)	(888,189)	(1,877,047)	(1,200,324)
Lease liabilities (Note 23)	317,153	(463,560)	(84,757)	(62,329)	(61,167)	(255,307)
Due to related parties, trade and other payables (Note 24)	1,859,330	(1,859,330)	(1,859,330)	-	-	-
Other long-term liabilities (Note 24)	6,720	(6,720)	(6,720)	-	-	-
	<u>7,513,809</u>	<u>(8,302,761)</u>	<u>(3,958,398)</u>	<u>(950,518)</u>	<u>(1,938,214)</u>	<u>(1,455,631)</u>
31 December 2024						
<i>Non-derivative financial liabilities</i>						
Borrowings (Notes 21 and 22)	5,404,421	(6,352,463)	(2,208,158)	(1,615,051)	(602,729)	(1,926,525)
Lease liabilities (Note 23)	342,733	(517,347)	(88,529)	(63,226)	(60,743)	(304,849)
Due to related parties, trade and other payables (Note 24)	1,467,532	(1,467,532)	(1,467,532)	-	-	-
Other long-term liabilities (Note 24)	56,096	(61,704)	(20,568)	(41,136)	-	-
	<u>7,270,782</u>	<u>(8,399,046)</u>	<u>(3,784,787)</u>	<u>(1,719,413)</u>	<u>(663,472)</u>	<u>(2,231,374)</u>

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

5 Financial risk management (continued)

Market risk

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

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

(a) Currency risk

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

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

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

	2025 Euro'000	2025 GBP'000	2024 Euro'000	2024 GBP'000
Investments	52,607	67,069	65,009	51,640
Cash at bank	1,931	-	25	-
Trade and other payables	(553)	-	(163)	-
Borrowings	(77,023)	-	(79,044)	-
Net exposure	<u>(23,038)</u>	<u>67,069</u>	<u>(14,173)</u>	<u>51,640</u>

The following exchange rates were applied during the year:

	Average rate		Closing Spot rate	
	2025 AED	2024 AED	2025 AED	2024 AED
GBP	4.84	4.64	4.94	4.60
Euro	<u>4.15</u>	<u>3.94</u>	<u>4.31</u>	<u>3.80</u>

Sensitivity analysis

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

(b) Interest rate risk

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

5 Financial risk management (continued)

Market risk (continued)

(b) Interest rate risk (continued)

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

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

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

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

	2025 AED'000	2024 AED'000
Fixed rate instruments		
Financial assets	637,413	573,875
Financial liabilities	<u>(317,153)</u>	<u>(342,733)</u>
Variable rate instruments		
Financial assets	52,013	50,392
Financial liabilities	<u>(5,330,606)</u>	<u>(5,404,421)</u>

Fair value sensitivity analysis for fixed rate instruments

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

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

Cash flow sensitivity analysis for variable rate instruments

A change of 100 bps in interest rates at the reporting date would have increased/ (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis was performed on the same basis for 2024.

Effect in AED'000	Profit or Loss	
	100 bps Increase	100 bps Decrease
31 December 2025	<u>(52,786)</u>	<u>52,786</u>
31 December 2024	<u>(53,540)</u>	<u>53,540</u>

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

5 Financial risk management (continued)

Market risk (continued)

(c) Price risk

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

Fair value of financial assets and liabilities measured at amortised costs

The fair value of financial assets and liabilities measured at amortised costs approximate its carrying value at 31 December 2025 and 31 December 2024.

Capital management

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

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

	2025 AED'000	2024 AED'000
Cash and cash equivalents (Note 20)	1,270,317	933,619
Short-term deposits with banks (Note 20)	45,765	72,780
Liquid investments*	<u>1,520,825</u>	<u>1,303,741</u>
	2,836,907	2,310,140
Current portion of borrowings (Note 22)	(1,770,884)	(1,797,678)
Non-current portion of borrowings (Note 21)	<u>(3,559,722)</u>	<u>(3,606,743)</u>
Net debt	<u>(2,493,699)</u>	<u>(3,094,281)</u>

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

6 Cost of sales and providing services

	2025 AED'000	2024 AED'000
These mainly include:		
Materials consumed	843,622	811,715
Cost of properties sold	462,201	850,649
Depreciation and amortization	147,212	148,737
Factory overheads	155,669	152,656
Staff costs	131,002	117,126
Government of Dubai's share of the realised profits of a subsidiary (Note 12)	140,055	114,265
Infrastructure and development works cost sharing with Roads and Transport Authority ("RTA") (Note 32)	29,077	29,077
	<u>29,077</u>	<u>29,077</u>

7 Administrative expenses

	2025 AED'000	2024 AED'000
These mainly include:		
Staff costs	266,135	251,614
Selling and marketing expenses	87,150	59,836
Depreciation and amortisation	22,271	21,836
Directors' fee	30,000	22,500
	<u>30,000</u>	<u>22,500</u>

Selling and marketing expenses include an amount of AED 2.03 million (2024: AED 1.77 million) incurred towards charity and social contributions.

8 Finance costs and income

	2025 AED'000	2024 AED'000
Interest income	44,065	38,356
Unwinding of discount on financial assets measured at amortised cost	33,790	39,884
Finance income	<u>77,855</u>	<u>78,240</u>
Interest costs	(330,536)	(381,113)
Interest expenses on lease liabilities (Note 23)	(26,274)	(24,483)
Bank charges	(8,007)	(4,835)
Unwinding of discount on financial liabilities	(5,129)	-
Unwinding of gain on modification of borrowings	-	(12,318)
Foreign exchange gain/(loss)- net	9,339	2,741
Finance costs	<u>(360,607)</u>	<u>(420,008)</u>

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

9 Other income

	2025 AED'000	2024 AED'000
These mainly include:		
Insurance claims received	37,470	25,500
Penalty charges for late payments from customers	1,493	3,962
Scrap sales	5,291	3,067
Dewatering	4,034	3,605
Management fee	4,897	-
Gain on disposal of property, plant and equipment	36	288
Advertisement income	27	146

The Group has received AED 37.47 million (2024: AED 25.50 million) from insurer as part of claim related to the Dubai Floods in April 2024.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025

(continued)

10 Property, plant and equipment

Cost	Land AED'000	Buildings AED'000	Plant and equipment AED'000	Office equipment and furniture AED'000	Motor vehicles AED'000	Roads and infrastructure AED'000	Capital work-in- progress AED'000	Total AED'000
At 1 January 2024	91,198	1,543,204	1,248,735	120,315	21,182	-	56,074	3,080,708
Additions (refer (i) below)	-	13,979	15,496	8,352	1,152	-	13,486	52,465
Transfers	3,178	(1,358)	(7,257)	17,033	-	-	(11,596)	-
Transfer from inventories (refer (iii) below)	-	5,275	-	-	-	-	-	5,275
Transfer from investment properties (refer (iv) below)	48,700	-	-	-	-	-	4,875	53,575
Disposals and write-offs	-	(13,190)	(26,547)	(17,252)	(150)	-	(149)	(57,288)
At 31 December 2024	143,076	1,547,910	1,230,427	128,448	22,184	-	62,690	3,134,735
At 1 January 2025	143,076	1,547,910	1,230,427	128,448	22,184	-	62,690	3,134,735
Additions (refer (i) below)	-	640	11,723	23,151	1,833	-	112,819	150,166
Transfers	-	1,016	30,073	560	-	4,791	(36,440)	-
Transfer from investment properties (refer (iv) below)	-	-	-	-	-	-	8,996	8,996
Disposals and write-offs	-	(11,735)	(22,381)	(3,710)	(1,294)	-	(11)	(39,131)
At 31 December 2025	143,076	1,537,831	1,249,842	148,449	22,723	4,791	148,054	3,254,766
Accumulated depreciation and impairment losses								
At 1 January 2024	-	544,769	908,013	109,857	20,362	-	10,708	1,593,709
Charge for the year	-	56,516	49,887	14,602	557	-	-	121,562
Transfers	-	-	(9,874)	9,860	14	-	-	-
Disposals and write-offs	-	(9,214)	(24,981)	(15,440)	(150)	-	(149)	(49,934)
At 31 December 2024	-	592,071	923,045	118,879	20,783	-	10,559	1,665,337
At 1 January 2025	-	592,071	923,045	118,879	20,783	-	10,559	1,665,337
Charge for the year	-	53,790	47,785	12,631	1,121	76	-	115,403
Disposals and write-offs	-	(11,244)	(20,977)	(3,710)	(1,294)	-	-	(37,225)
At 31 December 2025	-	634,617	949,853	127,800	20,610	76	10,559	1,743,515
Net book value								
At 31 December 2024	143,076	955,839	307,382	9,569	1,401	-	52,131	1,469,398
At 31 December 2025	143,076	903,214	299,989	20,649	2,113	4,715	137,495	1,511,251

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

10 Property, plant and equipment (continued)

- (i) Additions to capital work-in-progress represents costs incurred by the subsidiaries for the construction of hotels, roads and infrastructure and expansion of their manufacturing facilities.
- (ii) Included in capital work-in-progress at 31 December 2025 is an amount of AED 53.4 million (2024: AED 53.4 million) for the expansion of a manufacturing facility.
- (iii) Based on change in use, the Group reclassified an amount of AED 5.28 million from inventories to property, plant and equipment during the year ended 31 December 2024.
- (iv) Based on change in use, the Group reclassified an amount of AED 9 million from investment properties to property, plant and equipment during the year ended 31 December 2025 (2024: AED 53.58 million).
- (v) Buildings and plant and machinery with a net book value of AED 719.91 million (2024: AED 746 million) are mortgaged as security against term loans obtained from banks. In certain instances, the insurance over buildings and plant and machinery is also assigned in favor of the banks against facilities availed.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

11 Goodwill and intangible assets

	Goodwill AED'000	Product registration certificates, licenses, patent and trademark AED'000	Other intangible assets AED'000	Total AED'000
Cost				
As at 1 January 2024	124,085	230,838	27,616	382,539
Additions during the year	-	8,239	11	8,250
As at 31 December 2024	<u>124,085</u>	<u>239,077</u>	<u>27,627</u>	<u>390,789</u>
As at 1 January 2025	124,085	239,077	27,627	390,789
Additions during the year	-	50	9,441	9,491
As at 31 December 2025	<u>124,085</u>	<u>239,127</u>	<u>37,068</u>	<u>400,280</u>
Accumulated amortization and impairment losses				
As at 1 January 2024	39,729	79,453	20,910	140,092
Amortisation	-	11,919	1,680	13,599
As at 31 December 2024	<u>39,729</u>	<u>91,372</u>	<u>22,590</u>	<u>153,691</u>
As at 1 January 2025	39,729	91,372	22,590	153,691
Amortisation	-	11,919	2,957	14,876
As at 31 December 2025	<u>39,729</u>	<u>103,291</u>	<u>25,547</u>	<u>168,567</u>
Carrying amount				
31 December 2024	<u>84,356</u>	<u>147,705</u>	<u>5,037</u>	<u>237,098</u>
31 December 2025	<u>84,356</u>	<u>135,836</u>	<u>11,521</u>	<u>231,713</u>

Goodwill

The Group tests goodwill for impairment using value-in-use calculations on an annual basis. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth that is consistent with the industry forecasts in which each Cash Generated Units (“CGU”) operates. Based on this assessment, no impairment loss has been recognized during the current year (2024: Nil).

The goodwill mainly relates to manufacturing, contracting and service operations of the Group.

Product registration certificates, licenses, patent and trademark

Product registration certificates represent the value of the certificates granted by the regulatory authorities to manufacture and market certain medical and pharmaceutical products. The products registration certificates are being amortised over the useful life ranging between 5 to 15 years .

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

12 Investment properties

	2025 AED'000	2024 AED'000
At 1 January	11,189,467	10,099,681
Additions	76,318	434,740
Transferred to property, plant and equipment (Note 10)	(8,996)	(53,575)
Transferred to inventories	-	(110,000)
Sale of investment properties	(1,118,729)	(38,042)
Net gain on fair valuation	836,910	856,663
Investment property classified as held for sale	(56,206)	-
At 31 December	10,918,764	11,189,467

- During the year ended 31 December 2025, additions to investment properties amounted to AED 76.32 million (year ended 31 December 2024: AED 434.74 million). These mainly include acquisition of land in Ras Al Khaimah.
- The Group sold investment properties amounting to AED 1.12 billion for a consideration of AED 1.14 billion during the current year (year ended 31 December 2024: AED 38.04 million for a consideration of AED 40.1 million) and recorded gain of AED 22.93 million on sale of investment properties (year ended 31 December 2024: AED 2.06 million).
- During the year ended 31 December 2025, the Group classified a plot of land and a labour camp amounting to AED 56.21 million from investment properties to asset held for sale on which the Group recorded net fair valuation gain of AED 6.54 million (year ended 31 December 2024: Nil).
Assets classified as held for sale amounting to AED 56.21 million (2024: Nil) are mortgaged against facilities obtained from banks.
- As at 31 December 2025, given there had been a change of use supported by observable actions, the Group reclassified an amount of AED 9 million from investment properties to property, plant and equipment (2024: AED 53.58 million) (Note 10).

Investment properties comprises the following:

	2025 AED'000	2024 AED'000
Infrastructure and ancillary facilities	6,488,879	6,277,796
Plots of land for future development and under development	813,310	1,664,567
Retail and commercial facilities	1,926,136	1,572,168
Residential units	1,138,284	1,189,932
Labor camps and warehouses	552,155	485,004
	10,918,764	11,189,467

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

12 Investment properties (continued)

(a) *Infrastructure and ancillary facilities:*

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

As at 31 December 2025, the Group obtained fair values of all phases, and the valuations were carried out using the income valuation approach, after taking into consideration the cash outflows resulting from the estimated 20% share of the net realised profits due to the Government of Dubai. The fair valuation gain of AED 613.51 million (2024: fair valuation gain of AED 480.36 million) has arisen due to inclusion of subleasing fee in net cashflows, changes in the contractual and expected net cash flows based on the terms of the lease contracts with tenants and decrease in incremental cash outflow arising from change in assumptions of operating overhead.

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

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

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

These comprise of:

- (i) a plot of land received by a subsidiary from the Government of Fujairah;
- (ii) a plot of land received by a subsidiary from Government of Angola; and
- (iii) other plots of land for residential and commercial development

As at 31 December 2025, the fair valuation of the plots of land has been carried out using the sales comparison and income capitalisation approach as appropriate, resulting in a net fair valuation gain of AED 88.72 million (2024: net fair valuation gain of AED 218.08 million).

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

Plots of land for future development and under development amounting to AED 41.20 million (2024: AED 129 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

12 Investment properties (continued)

(c) Residential units.

The residential units have been valued using the sales comparison approach resulting in a net fair valuation gain of AED 40.51 million (2024: fair valuation gain of AED 110.35 million).

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

Residential properties amounting to AED 377.13 million (2024: AED 328.73 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

(d) Retail and commercial facilities:

These comprise of:

- (i) A mixed-use building which has been leased on operating leases;
- (ii) A mixed-use building constructed on a plot of land granted by the Government of Fujairah;
- (iv) School campuses; and
- (iv) Other retail and commercial facilities on operating leases.

The retail and commercial facilities have been valued using the income capitalisation approach or income valuation approach, as appropriate, resulting in a net fair valuation gain of AED 62.70 million (2024: fair valuation gain of AED 57.14 million).

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

The retail and commercial facilities amounting to AED 637.0 million (2024: AED 822.8 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

(e) Labor camps and warehouses:

The fair valuation of labor camps and warehouses at the reporting date has been determined by using the sales comparison and income capitalisation approach resulting in a net fair valuation gain of AED 31.47 million (2024: fair valuation loss of AED 9.27 million).

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

The labor camps and warehouses amounting to AED 7.53 million (2024: AED 33.20 million) are mortgaged against facilities obtained from a bank. Further, the insurance over these properties is also assigned in favor of the bank.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

12 Investment properties (continued)

Valuation processes

The Group's investment properties were valued at 31 December 2025 by independent registered valuers in accordance with the RICS Valuation – Global Standards issued by the Royal Institute of Chartered Surveyors taking into account requirements of IFRS 13 'Fair value measurements'. For all investment properties, their current use equates to the highest and best use. Management review the valuations performed by the independent registered valuers for financial reporting purposes which among other things include:

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

Valuation techniques underlying management's estimation of fair value

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

The valuation basis and assumptions used for valuation of investments properties remains largely consistent with the methodology adopted as at 31 December 2024 other than inclusion of subleasing fee income into future cashflows and change in assumptions of payroll cost.

Valuation technique	Significant unobservable inputs (2025 and 2024)	Inter relationship between key unobservable inputs and fair value measurement
Income capitalization approach: the method is based on valuing properties based on the income produced. The income approach is computed by taking the net operating income of the property collected and dividing it by the capitalization rate.	Rental growth – 2% Yield rates: 6% to 12% Operating expenses: ranging from 5% to 32% of rental income.	
Income approach: Income approach provides an indication of fair value by converting future cash flows to a single current capital value.	Rental growth – no growth considered for the remaining contractual period Discount rates: 7.5% to 8.5% Operating expenses: ranging from 28% to 31% of rental income.	The expected fair value would increase/ (decrease) if the inputs changed.
Under the discounted cash flows ("DCF") method the forecasted cash flow is discounted back to the valuation date, resulting in a present value of the asset.		
Sales comparison approach - The market approach reflects recent transaction prices for similar properties, adjusted for differences in location, size and condition of the property.	Market rates: ranging from AED 172 per sq. ft to AED 2,416 per sq. ft	

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

12 Investment properties (continued)

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

Significant unobservable inputs:

(a) *Infrastructure and ancillary facilities:*

Future contractual rental cash inflows	based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 328 million higher/ lower respectively (2024: AED 295 million higher/lower respectively), with all other variables remaining constant.
Discount rate	reflecting current market assessments of the uncertainty in the amount and timing of cash flows. If discount rate was 1% higher/lower, the valuation would have been AED 645 million lower/AED 845 million higher respectively (2024: AED 653 million lower/AED 852 million higher respectively), with all other variables remaining constant.
Outgoing expenses	including necessary maintenance and other expenses to maintain functionality of the properties for their expected useful life. If maintenance and operating costs were 10% higher/lower, the valuation would have been AED 102 million lower/higher respectively (2024: AED 105 million lower/higher respectively), with all other variables remaining constant.

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

Market sales rates	based on the estimated selling price of comparable properties and taking into account the market data at the date of valuation. If the market sales rate were 10% higher/lower the valuation would have been AED 173.97 million higher/lower respectively (2024: AED 165 million higher/lower respectively), with all other variables remaining constant.
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(c) *Residential units*

Market sales rates	based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 61 million higher/lower respectively (2024: AED 69 million higher/lower respectively), with all other variables remaining constant.
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Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

12 Investment properties (continued)

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

Significant unobservable inputs: (continued)

(d) Retail and commercial facilities

Future market rental cash inflows based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 32 million higher/lower respectively (2024: AED 36 million higher respectively), with all other variables remaining constant.

Capitalisation yield rates based on the actual location, size and quality of the properties and taking into account market data at the valuation date. If capitalisation yield rates were 1% higher/lower, the valuation would have been AED 164 million lower/AED 237 million higher respectively (2024: AED 161 million lower/AED 172 million higher respectively), with all other variables remaining constant.

(e) Labor camps and warehouses

Future market rental cash inflows based on the actual location, type and quality of the properties and supported by the terms of any existing leases, such as market rental growth and rent-free periods. If rental rates were 10% higher/lower, the valuation would have been AED 44 million higher/lower respectively (2024: AED 44 million higher/lower respectively), with all other variables remaining constant.

Capitalisation yield rates based on the actual location, size and quality of the properties and taking into account market data at the valuation date. If capitalisation yield rates were 1% higher/lower, the valuation would have been AED 23 million lower /AED 27 million higher respectively (2024: AED 24 million lower/AED 27 million higher respectively), with all other variables remaining constant.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

12 Investment properties (continued)

Fair value hierarchy

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

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

	2025 AED'000	2024 AED'000
At 1 January	11,189,467	10,099,681
Additions	76,318	434,740
Transferred to property, plant and equipment (Note 10)	(8,996)	(53,575)
Transferred to inventories (Note 17)	-	(110,000)
Sale of investment properties	(1,118,729)	(38,042)
Net gain on fair valuation	836,910	856,663
Investment property classified as held for sale	(56,206)	-
At 31 December	10,918,764	11,189,467

13 Financial investments

	2025 AED'000	2024 AED'000
(i) Investments at fair value through other comprehensive income - Note 13 (a)		
Equity securities	<u>92,867</u>	<u>79,852</u>
(ii) Investments at fair value through profit or loss - Note 13 (b)		
Held for trading quoted equity securities	442,400	249,446
Funds, bonds and unquoted equity securities	<u>2,316,279</u>	<u>1,985,336</u>
	<u>2,758,679</u>	<u>2,234,782</u>
Geographical distribution of investments:		
UAE	832,045	669,502
Other GCC countries	499,792	322,125
Other countries	<u>1,519,709</u>	<u>1,323,007</u>
(i)+(ii)	<u>2,851,546</u>	<u>2,314,634</u>

Investments in funds, bonds and unquoted equity securities with a fair value of AED 339 million (2024: AED 312 million) are pledged in favor of banks against borrowings availed (Note 22).

Sensitivity analysis – equity price risk

The Group's investments in quoted equity securities are listed on various MENA stock exchanges. For such investments classified as fair value through profit or loss, a 10 % increase/(decrease) in the equity prices at the reporting date would have increased/(decreased) profit by AED 69.81 million (2024: AED 56.62 million).

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

13 Financial investments (continued)

(a) Investments at fair value through other comprehensive income

These mainly include 5% shareholding in SAYACORP B.S.C.(c), which is based in the Kingdom of Bahrain focused on investment, financing and service needs of the energy sector.

(b) Investments at fair value through profit or loss

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

The Group has invested AED 319.73 million (2024: AED 298.5 million) in diversified fixed income bonds portfolio (held for trading) and AED 392.16 million (2024: AED 343.69 million) in managed equity funds by utilising a related leverage facility of AED 332 million (2024: AED 302 million). Most of these bonds have counterparty credit rating of investment grade and having maturity of medium to long term.

(c) Measurement of fair values

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

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

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

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

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

The Group has reviewed the fair value of investments classified as fair value through profit or loss and accordingly, a gain of AED 150.20 million has been recorded in the consolidated statement of profit or loss during the current year (2024: AED 114.22 million).

The Group has reviewed the fair value of investments in unquoted equity securities classified as fair value through other comprehensive income and accordingly, net change in fair value of AED 13.03 million has been recorded during the current year in other comprehensive income (2024: loss of AED 0.42 million).

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

13 Financial investments (continued)

(c) Measurement of fair values (continued)

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

31 December 2025	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Financial assets at fair value through profit or loss	452,323	1,068,358	1,237,998	2,758,679
Financial assets at fair value through other comprehensive income	144	-	92,723	92,867
	452,467	1,068,358	1,330,721	2,851,546
	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
31 December 2024				
Financial assets at fair value through profit or loss	258,372	1,045,159	931,251	2,234,782
Financial assets at fair value through other comprehensive income	210	-	79,642	79,852
	258,582	1,045,159	1,010,893	2,314,634

Reconciliation of Level 3 fair values measurements of investments

	2025 AED'000	2024 AED'000
As at 1 January	1,010,893	868,936
Additions during the year	409,890	324,020
Redeemed/sold during the year	(141,669)	(260,618)
Transfers in level 3	(15,670)	-
Gain recorded in OCI		
- Net change in fair value (unrealised)	13,081	(423)
Gain/(loss) recorded in profit or loss		
- Net change in fair value (unrealised)	54,196	78,978
As at 31 December	1,330,721	1,010,893

Sensitivity analysis

For investments classified as Level 3, a 10% increase/(decrease) in the NAV at the reporting date would have increased/(decreased) profit by AED 133.07 million (2024: AED 101.09 million).

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

14 Other financial assets at fair value through profit or loss

	2025 AED'000	2024 AED'000
Other financial assets at fair value through profit or loss	<u>16,791</u>	<u>17,988</u>

In the current year, financial assets at fair value through profit of loss represent receivables from the Road Transport Authority ('RTA') for an intersection construction cost incurred by the one of the subsidiaries. In the previous year, financial assets at fair value through profit of loss represented receivables from Dubai Electricity and Water Authority for a substation cost incurred by the one of the subsidiaries.

The fair valuation of these receivables have been determined using a present value of expected cash flows. As there are significant unobservable inputs used in determining fair value of this receivable, it has been categorised as a level 3 financial instrument.

15 Investment in equity accounted investees'

	2025 AED'000	2024 AED'000
Investment in joint ventures (refer (i) below)	931,777	977,150
Investment in associates (refer (ii) below)	<u>516,949</u>	<u>512,939</u>
Total investment in equity accounted investees	<u>1,448,726</u>	<u>1,490,089</u>

(i) Joint ventures

The following are the investments in joint ventures held by the Group as at 31 December 2025:

a) Emicool District Cooling LLC ("Emicool")

On 25 July 2022, the Group sold its 50% equity interest in the wholly owned subsidiary Emicool District Cooling LLC ("Emicool"). Subsequently, the retained investment of 50% in Emicool has been remeasured at fair value and accounted for as a joint venture under 'investment in an equity accounted investee'. Emicool District Cooling LLC is a limited liability company incorporated in the UAE. The principal activities are to generate, distribute and sell chilled water along with associated metering and billing services in district cooling systems for air conditioning purposes.

b) QDI Sport Management Company LLC ("QDI")

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

c) Palisades Development Company LLC

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

The carrying amount of the interest in Palisades Development Company LLC is Nil as at 31 December 2025 (2024: Nil).

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

15 Investment in equity accounted investees' (continued)

(i) Joint ventures

The following table summarises the financial information of joint ventures as at 31 December:

	2025		2024	
	AED'000 Emicool	AED'000 Others	AED'000 Total	AED'000 Total
Non-current assets	2,323,780	30	2,323,810	2,134,354
Current assets	300,621	16,772	317,393	494,479
Non-current liabilities	(1,938,987)	(8,821)	(1,947,808)	(1,586,838)
Current liabilities	(233,637)	(2,701)	(236,338)	(494,193)
Net assets (100%)	<u>451,777</u>	<u>5,280</u>	<u>457,057</u>	<u>547,802</u>
Group's share of net assets	225,888	2,640	228,528	273,901
Goodwill and intangible assets	<u>691,900</u>	<u>11,349</u>	<u>703,249</u>	<u>703,249</u>
Carrying amount of interest in joint ventures	<u>917,788</u>	<u>13,989</u>	<u>931,777</u>	<u>977,150</u>
Income	675,255	28,828	704,083	649,838
Expenses	(587,562)	(27,267)	(614,829)	(606,720)
Profit for the year (100%)	<u>87,693</u>	<u>1,561</u>	<u>89,254</u>	<u>43,118</u>
Group's share of profit	<u>43,847</u>	<u>781</u>	<u>44,628</u>	<u>21,559</u>
Group's share of total comprehensive income	<u>43,847</u>	<u>781</u>	<u>44,628</u>	<u>21,559</u>
Dividends received by the Group	<u>90,000</u>	<u>-</u>	<u>90,000</u>	<u>138,500</u>

(ii) Associates

The Group's associates comprise includes the following entities

	2025 Ownership %	2024 Ownership %
Associate		
National General Insurance PJSC ("NGI") (refer (b) below)	48.34	48.34
Emirates Insolaire LLC	49	49
Emirates Aluminium Rolling ("Emiroll") LLC	30	30
KCH Healthcare LLC (refer (c) below)	31.75	31.75
Clemenceau Medical Center FZ ("CMC Dubai")	20	20
Africa Crest Education Holdings Limited	58.37	58.37
ACE Kenya Limited	36.21	36.21
Mojavi 4 Limited (refer (a) below)	40	40
Mojavi 9 Limited (refer (a) below)	55	55
Mojavi 10 Limited (refer (a) below)	36	36
Mojavi 16 Limited (refer (a) below)	86.80	86.80
Mojavi 20 Limited (refer (a) below)	20	20
Private Education through a New World ("Pen")	18	18
Global Fertility Partners (a Cayman Islands exempted company with limited liability)	59.70	59.70
Agricorp Investments Limited (refer (b) below)	-	50

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

b) During the year ended 31 December 2025, the Group acquired additional 50% equity interest of Agricorp Investments Limited. The Group holds 100% equity interest in that entity (refer Note 37).

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

15 Investment in equity accounted investees' (continued)

(ii) Associates (continued)

b) The summarised financial information for NGI is set out as follows. The tables below also reconciles the summarised financial information to the carrying amount of the Group's interest in associates as at 31 December 2025.

	2025 AED'000	2024 AED'000
Total assets	1,662,647	1,653,888
Total liabilities	<u>(968,752)</u>	<u>(1,009,262)</u>
Net assets (100%)	<u>693,895</u>	<u>644,626</u>
Group's share of net assets	335,429	311,612
Fair value of identified intangibles	<u>11,479</u>	<u>11,479</u>
Carrying amount of interest in associates	<u>346,908</u>	<u>323,091</u>
Income	1,296,690	1,426,127
Expenses	<u>(1,177,504)</u>	<u>(1,306,017)</u>
Profit for the year (100%)	<u>119,186</u>	<u>120,110</u>
Group's share of profit	57,615	58,061
Group's share of other comprehensive income/(loss)	<u>2,084</u>	<u>(5,538)</u>
Group's share of total comprehensive income	<u>59,699</u>	<u>52,523</u>
Dividend received by the Group	<u>35,881</u>	<u>18,122</u>

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

	2025 AED'000	2024 AED'000
Total assets	1,501,822	1,523,469
Total liabilities	<u>(1,982,372)</u>	<u>(1,850,927)</u>
Net assets (100%)	<u>(480,550)</u>	<u>(327,458)</u>
Group's share of net assets	<u>170,041</u>	<u>189,848</u>
Carrying amount of interest in associates	<u>170,041</u>	<u>189,848</u>
Income	987,734	914,277
Expenses	<u>(920,692)</u>	<u>(898,683)</u>
Profit for the year (100%)	<u>67,042</u>	<u>15,594</u>
Group's share of profit	<u>5,658</u>	<u>5,202</u>
Group's share of exchange difference on translation of foreign associate	<u>(1,199)</u>	<u>(14,649)</u>
Dividend received by the Group	<u>27,816</u>	<u>3,724</u>

During the year ended 31 December 2024, the Group acquired additional 5% equity interest in its existing associate KCH Healthcare LLC. Post-acquisition of additional interest, the Group's shareholding in KCH Healthcare LLC has increased to 31.75%.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

15 Investment in equity accounted investees' (continued)

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

	2025 AED'000	2024 AED'000
At 1 January	1,490,089	1,506,287
Investments made during the year	3,548	79,513
Dividend received during the year	(153,697)	(160,346)
Group's share of profit for the year	107,901	84,822
Group's share of profit/(loss) in other comprehensive income/(loss)	2,084	(5,538)
Group's share of exchange difference on translation	(1,199)	(14,649)
At 31 December	1,448,726	1,490,089

16 Rent receivable

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

17 Inventories

	2025 AED'000	2024 AED'000
Raw materials, work-in-progress and spares (net of provision for write down to net realisable value)	190,527	200,287
Finished goods	46,901	49,392
Goods in transit	802	848
Properties held for development and sale (net of provision for write down to net realisable value)	644,656	772,133
	882,886	1,022,660

During the previous year, the Group had reclassified an amount of AED 5.28 million from inventories to property plant and equipment (Note 10) during the year ended 31 December 2024.

The total of inventories being carried at net realizable value amounts to AED 73.59 million as at 31 December 2025 (2024: AED 107.65 million).

Properties held for development and sale represent cost of land and expenditure incurred towards a residential project in Mirdif and Jumeirah Village Circle, mixed used development in Marjan Island and Meydan, and land ear-marked for development projects for subsequent sale. The Group intends to develop these properties for sale and has classified certain properties as long term based on future development plans.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

17 Inventories (continued)

Net realisable values for properties held for development and sale have either been estimated by independent registered valuers in accordance with the RICS Valuation – Global Standards issued by the Royal Institute of Chartered Surveyors or internally using a combination of valuation techniques including the sales comparison approach and income capitalisation approach. Based on this, no provision for write down to net realisable value has been recognised during the current year (2024: Nil).

As at 31 December 2025, the Group is carrying a provision on properties held for development and sale amounting to AED 3.85 million (2024: AED 3.85 million).

Inventories amounting to AED 157 million (2024: AED 180 million) are mortgaged against facilities obtained from banks. In certain instances, the insurance over inventories is also assigned in favor of banks.

18 Trade receivables

Gross trade receivables amount to AED 3,957.78 million (2024: AED 3,225.29 million) while provision for impairment loss amounts to AED 746.76 million (2024: AED 739.10 million). Trade receivables that are expected to be realised after twelve months from the reporting date have been classified as non-current.

Trade receivables amounting to AED 618.34 million are assigned against the facilities availed from the banks as at 31 December 2025 (2024: AED 582.04 million).

19 Due from related parties and other receivables

	2025 AED'000	2024 AED'000
Non – current		
Due from related parties	60,283	-
Capital advance	6,343	1,402
	<u>66,626</u>	<u>1,402</u>
Current		
Receivable from customers for use of margin facilities	69,212	59,364
Due from related parties	5,942	62,020
Advances paid to suppliers	105,107	64,290
Due from customers for contract work (refer (ii) below)	41,660	59,876
Prepayments	51,238	60,336
Margin and refundable deposit	29,053	23,276
Retention receivables	23,334	15,186
Others	134,555	158,762
	<u>460,101</u>	<u>503,110</u>

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

19 Due from related parties and other receivables (continued)

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

	2025 AED'000	2024 AED'000
Balance at the beginning of the year	59,876	32,668
Additions during the year	266,762	233,214
Progress billings	<u>(284,978)</u>	<u>(206,006)</u>
Balance at the ending of the year	<u>41,660</u>	<u>59,876</u>

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

	2025 AED'000	2024 AED'000
Short term deposits		
Short term deposits with banks having maturity of more than 3 months	10,000	20,000
Short term deposits within UAE under lien with banks	<u>35,765</u>	<u>52,780</u>
	<u>45,765</u>	<u>72,780</u>
Cash and cash equivalents		
Cash in hand	806	1,307
Cash at bank within UAE (current accounts)	852,515	604,802
Cash at bank outside UAE – GCC Countries (current accounts)	3,512	2,161
Cash at bank outside UAE – Other countries (current accounts)	71,117	80,064
Short term deposits within UAE having original maturity of less than 3 months	<u>342,367</u>	<u>245,285</u>
Total cash and cash equivalents	<u>1,270,317</u>	<u>933,619</u>

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

21 Long-term bank borrowings

	2025 AED'000	2024 AED'000
Borrowings	4,274,395	4,253,003
Less: current portion (Note 22)	<u>(714,673)</u>	<u>(646,260)</u>
Long-term borrowings	<u>3,559,722</u>	<u>3,606,743</u>

- (i) The terms of the bank borrowings vary from one to ten years. These are secured by a combination of the Company's corporate guarantee, mortgages over certain investment properties, inventories, trade receivables, property, plant and equipment, assignment of receivables and insurance policies over assets of the Group and lien on bank deposits. The interest rate of majority of the bank borrowings range between 0.45% to 3.5% over EIBOR /SOFR p.a. Where there is a corporate guarantee, the Company's liability is generally restricted to its percentage of equity interest in the borrowing entity.
- (ii) For certain term loan facilities, the Group is required to comply with debt service coverage ratios, leverage ratio and minimum net worth. The Group is in compliance of these covenants as at 31 December 2025.

22 Bank borrowings

	2025 AED'000	2024 AED'000
Bank overdraft	162,069	105,730
Trust receipts	62,100	82,154
Short term loans	832,042	963,534
Current portion of long-term bank borrowings (Note 21)	<u>714,673</u>	<u>646,260</u>
	<u>1,770,884</u>	<u>1,797,678</u>

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

Short term loans amounting to AED 332.04 million (2024: AED 301.51 million) have been obtained for investments in bonds, funds and structured products and are secured against the pledge of those investments in favor of banks (Note 13).

The Group had access to undrawn banking facilities of AED 2,262.45 million as at 31 December 2025 (2024: AED 1,936.27 million).

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

23 Leases

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

(i) Right-of-use assets:

	Land AED'000	Buildings AED'000	Plant and equipment AED'000	Total AED'000
Cost				
As at 1 January 2024	76,304	57,343	372,946	506,593
Additions during the year	-	4,963	-	4,963
Disposals	-	(942)	-	(942)
As at 31 December 2024	<u>76,304</u>	<u>61,364</u>	<u>372,946</u>	<u>510,614</u>
As at 1 January 2025	76,304	61,364	372,946	510,614
Additions during the year	2,292	6,679	-	8,971
Transfers	47,590	(47,590)	-	-
Disposals	(1,884)	(5,141)	(805)	(7,830)
As at 31 December 2025	<u>124,302</u>	<u>15,312</u>	<u>372,141</u>	<u>511,755</u>
Accumulated depreciation				
As at 1 January 2024	16,774	28,887	137,853	183,514
Depreciation	6,536	2,344	26,532	35,412
Disposals	-	(188)	-	(188)
As at 31 December 2024	<u>23,310</u>	<u>31,043</u>	<u>164,385</u>	<u>218,738</u>
As at 1 January 2025	23,310	31,043	164,385	218,738
Depreciation	3,591	5,922	29,691	39,204
Transfers	27,363	(27,363)	-	-
Disposals	(1,884)	(2,582)	(805)	(5,271)
As at 31 December 2025	<u>52,380</u>	<u>7,020</u>	<u>193,271</u>	<u>252,671</u>
Carrying amount				
31 December 2024	<u>52,994</u>	<u>30,321</u>	<u>208,561</u>	<u>291,876</u>
31 December 2025	<u>71,922</u>	<u>8,292</u>	<u>178,870</u>	<u>259,084</u>

(ii) Lease liabilities:

	2025 AED	2024 AED
Current	41,550	37,579
Non-current	<u>275,603</u>	<u>305,154</u>
	<u>317,153</u>	<u>342,733</u>
Depreciation charge of right-of-use assets	<u>39,204</u>	<u>35,412</u>
Interest expense on lease liability (Note 8)	<u>26,274</u>	<u>24,483</u>

The total cash outflow for principal lease payments in 2025 was AED 31.99 million (2024: AED 27.92 million).

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

24 Due to related parties, trade and other payables

	2025 AED'000	2024 AED'000
Non-current		
Other payables	<u>6,720</u>	<u>56,096</u>
Current		
Trade payables	559,657	507,150
Unearned rent	182,246	215,447
Payable to Government of Dubai for their share of realised profit of a subsidiary	140,055	114,357
Advances received from customers	190,824	93,722
Provision for employees' end of service benefits	98,645	90,104
Retention payable	68,041	39,768
Due to related parties	9,157	10,008
Current tax liability (Note 38)	95,034	52,999
Other payables and accrued expenses*	<u>893,374</u>	<u>743,234</u>
	<u>2,237,033</u>	<u>1,866,789</u>

*include provisions for expired stock, accruals related to ongoing real estate projects, provision for Directors' fees, and other accruals.

25 Share capital and share premium

	2025 AED'000	2024 AED'000
<i>Authorised</i>		
8,000,000,000 shares of AED 1/- each (2024: 8,000,000,000 shares of AED 1/- each)	<u>8,000,000</u>	<u>8,000,000</u>
<i>Issued and paid up</i>		
4,252,019,585 shares of AED 1/- each (2024: 4,252,019,585 shares of AED 1/- each)	<u>4,252,020</u>	<u>4,252,020</u>

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

26 Capital reserve

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

27 Legal and general reserve

In accordance with the Articles of Association of the Company and entities within the Group and the UAE Federal Law No. 32 of 2021 as amended:

- 10% of the net profit for the year of the Company is to be transferred to the legal reserve.
- 5% of the net profit for the year of the individual entities within the Group, to which the law is applicable, or rate specified in Articles of Association of the entities whichever is higher, is to be transferred to the legal reserve.

Such transfer may be discontinued when the legal reserve equals 50% of the paid up share capital of the respective individual entities. This reserve is non-distributable except in certain circumstances as mentioned in the above-mentioned law.

Further, in accordance with the Articles of Association of the Company and entities within the Group, further allocation to general reserve has been discontinued with effect from 2023.

Accordingly, the Company and entities within the Group, where applicable, have transferred amounts to legal reserve.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

28 Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of investments classified as fair value through other comprehensive income (Note 13) and gain on revaluation of property, plant and equipment (Note 10).

29 Foreign currency translation reserve

The foreign currency translation reserve comprises the exchange difference arising on translation of equity accounted investees' and recognised under other comprehensive income (Note 15).

30 Proposed cash dividend and directors' fee

For the year ended 31 December 2025, the Board of Directors have proposed a cash dividend of 25% (AED 0.25 per share) to the shareholders of the Company.

At the Annual General Meeting held on 16 April 2025, the shareholders approved a 18 % (AED 0.18 per share) cash dividend proposed by the Board of Directors. The dividend amounting to AED 765.36 million was distributed in May 2025.

Directors' fees amounting to AED 30 million has been proposed during the year ended 31 December 2025 (2024: AED 22.50 million) which represents compensation for professional services rendered by the Directors and included under administrative expenses (Note 7).

At the Annual General Meeting held on 16 April 2025, the shareholders approved the proposed Directors' fee amounting to AED 22.50 million for the year ended 31 December 2024.

31 Basic and diluted earnings per share

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

	2025	2024
Profit attributable to Owners of the Company (AED '000)	<u>1,550,116</u>	<u>1,205,375</u>
Weighted average number of shares outstanding ('000s)	<u>4,252,020</u>	<u>4,252,020</u>
Basic and diluted earnings per share (AED)	<u>0.36</u>	<u>0.28</u>

32 Commitments

	2025	2024
	AED'000	AED'000
Total commitments	<u>984,119</u>	<u>735,135</u>

Commitments mainly includes the following operating commitments:

- value of construction contracts awarded to contractors for real estate projects under development.
- One of the subsidiaries of the Group has signed an agreement with RTA to share the cost of infrastructure and development works of the adjoining areas. Total outstanding commitment as at 31 December 2025 amounts to AED 101.8 million (2024: AED 130.8 million) which will be invoiced and paid until 2029, in semi-annual instalments of AED 14.5 million each.

The Group's share of capital commitments in the equity accounted investees' amounted to AED 31.25 million (2024: AED 44.67 million).

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

33 Contingent liabilities

The Group has contingent liabilities in respect of letters of guarantee and letters of credit amounting to AED 206 million (2024: AED 139 million) as at 31 December 2025. Further, the Group's share of contingent liabilities in the equity accounted investees' amounted to AED 145 million (2024: AED 148.19 million).

34 Lease rentals

Leases as lessor

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

	2025 AED'000	2024 AED'000
Less than one year	791,643	761,670
Between one to two years	744,119	697,347
Between two to three years	702,697	696,036
Between three to four years	703,459	686,604
Between four to five years	706,161	685,536
More than 5 years	5,197,916	5,433,520
	<u>8,845,995</u>	<u>8,960,713</u>

35 Related party transactions

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

Related party transactions are entered at mutually agreed terms.

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

	2025 AED'000	2024 AED'000
Dividend received from equity accounted investees'	153,697	160,346
Sale of properties	24,377	28,712
Rental income	7,017	4,541
Interest income	2,838	2,233
Management fee income	4,897	-
Insurance premium	6,213	6,587
Cooling charges	7,867	7,408

Compensation to key management personnel, including Directors' fees is as follows:

Short-term benefits (including Directors' fees)	58,987	45,623
Post-employment benefits	628	498

36 Non-controlling interests

During the year ended 31 December 2025, non-controlling interest contributed additional amount of AED 93.05 million in one of the subsidiaries and subscribed additional units in Al Mal Capital REIT, amounting to AED 56.06 million (2024: AED 33.54 million).

Further, the Group does not have any individually material non-controlling interests in any of its subsidiaries as at 31 December 2025.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

37 Investment in subsidiaries

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

Entity	Incorporated in	Ownership %	
		2025	2024
Dubai Investments Park Development Company LLC	UAE	100	100
Dubai Investment Real Estate LLC	UAE	100	100
DI Investment Holding Limited	UAE	100	100
DIP Holding Limited (formerly known as DI International Holding Limited) (Note 37 (d))	UAE	100	100
Dubai Investments Industries LLC	UAE	100	100
Glass LLC	UAE	100	100
Masharie LLC	UAE	97.85	97.85
Dubai Investments International Limited	UAE	100	100
Anchor Mozna Real Estate LLC	UAE	100	100
Al Mal Capital PSC (Note 37 (b))	UAE	83.95	73.19
Al Mal Capital REIT (Note 37 (c))	UAE	75.99	76.29
Al Taif Investment LLC	UAE	60	60
Properties Investment LLC	UAE	70	70
PID Owners Association Management LLC	UAE	70	70

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

Al Mujamma Real Estate LLC	UAE	100	100
Anchor Ritaj Real Estate One Person Company LLC	UAE	100	100
Anchor Nahda One Real Estate One Person Company LLC	UAE	100	100
Anchor Kawther Real Estate One Person Company LLC	UAE	100	100
Millennium Place Mirdif Hotel LLC	UAE	100	100

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

Emirates Building Systems Company LLC	UAE	100	100
Globalpharma LLC	UAE	100	100
Emirates Extruded Polystyrene LLC	UAE	100	100
DII Education Holding Limited	UAE	100	100
Techsource LLC	UAE	100	100
DIID Management DMCC*	UAE	90	90

* This entity is currently under liquidation and legal counsel to execute the filing of liquidation.

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

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

(iv) The following are the investments in subsidiaries held by Al Taif Investment LLC as at 31 December:

Doubletree by Hilton Fujairah City LLC - SPC	UAE	100	100
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Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

37 Investment in subsidiaries (continued)

(v) The following are the investments in subsidiaries held by Properties Investment LLC as at 31 December:

Millennium Lake View Residence LLC	UAE	100	100
Millennium Lake View Hotel	UAE	100	100

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

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

* These entities are currently under liquidation and legal counsel to execute the filing of liquidation.

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

Al Mal Real Estate Fund	UAE	68	68
Al Mal Capital (Mauritius) Ltd.	Mauritius	100	100
Blue Line India Opportunities	Mauritius	100	100
Pearl India Opportunities	Mauritius	100	100
AMC Ventures One Investment Limited	UAE	100	100
AMC Ventures Two Investment Limited	UAE	100	100
AMC Ventures Three Investment Limited	UAE	100	100
	Cayman	100	100
Al Mal Investment Fund Company	Islands		
Other*	Several	100	100

*Al Mal Capital PSC owns other SPEs which are either deemed dormant and insignificant.

(viii) The following are the investments in subsidiaries held by Al Mal Capital REIT as at 31 December:

Carnation Education LLC (Note 37 (e))	UAE	100	100
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(ix) The following are the investments in subsidiaries held by Dubai Investments International Limited as at 31 December:

Dubai Investments International Angola, LDA	Angola	90	90
Agricrop Investments Limited (Note 37 (e))	UAE	100	-

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

37 Investment in subsidiaries (continued)

- (b) During the year ended 31 December 2025, the Company acquired additional 10.76% equity interest in its existing subsidiary Al Mal Capital PSC. Post-acquisition of additional interest, the Company's shareholding in Al Mal Capital PSC has increased to 83.95%.
- (c) During the year ended 31 December 2025, the Company subscribed units in Al Mal Capital REIT along with units subscribed by minority shareholders of Al Mal Capital REIT. Subsequent to this, the Group's effective shareholding in Al Mal Capital REIT is 75.99%.

During the year ended 31 December 2024, the Group subscribed additional units in Al Mal Capital REIT pursuant to right issues and sold certain units to National General Insurance PJSC. Subsequent to this, the Group's effective shareholding in Al Mal Capital REIT is 76.29%.

During the year ended 31 December 2024, the Group acquired 100% equity interest in Carnation Education LLC which primarily holds the land and building related to education facilities in Dubai.

- (d) Subsequent to year ended 31 December 2025, the Company transferred its 100% equity stake in Dubai Investments Park Development Company LLC to its fully owned subsidiary DIP Holding Limited.
- (e) During the year ended 31 December 2025, the Group acquired additional 50% of Agricorp Investments Limited (refer Note 15). The Group now holds 100% equity interest in the Agricorp Investments Limited.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

38 Income tax

	2025 AED'000	2024 AED'000
Consolidated income statement		
Current income tax expenses	94,332	52,999
Reversal of prior period tax	(256)	-
Deferred tax expense	60,323	61,758
	<u>154,399</u>	<u>114,757</u>
Movement of net deferred tax liabilities		
	2025 AED'000	2024 AED'000
Net deferred tax liability balance at beginning of the year	81,288	19,530
Net expense for the period	60,323	61,758
Expense related to other comprehensive income	1,177	-
Net deferred tax liabilities balance at the end of the year	<u>142,788</u>	<u>81,288</u>
Disclosed as:		
Deferred tax liabilities	163,436	94,792
Deferred tax assets	(20,648)	(13,504)
Net deferred tax liabilities	<u>142,788</u>	<u>81,288</u>

Differences between IFRS and statutory taxation regulations in the UAE give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases.

The deferred tax assets and liabilities mainly relates to fair valuation gain and losses on investment properties, tax depreciation on investment properties, fair valuation gain and losses on investments and purchase price allocation adjustments relating to the acquisition of subsidiaries in prior years.

On 23 June 2025, the UAE Ministry of Finance issued Ministerial Decision No. 173 of 2025, introducing depreciation adjustments for investment properties held at fair value under the UAE Corporate Tax Law, effective from 1 January 2025. In accordance with this Decision, the entity is eligible to claim a tax depreciation deduction at the lower of 4% of the original cost or the tax written down value of its investment properties, as the investment properties are accounted for at fair value and the entity has elected for taxation on a realisation basis. Accordingly, the relevant entities of the Group have claimed tax depreciation on investment properties and related deferred tax liability impact has been accounted for, as this tax depreciation creates temporary difference on account of being required to be reversed in the event of sale from Corporate tax perspective.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

38 Income tax (continued)

Income tax expense relates to the tax payable on the results of the Group, as adjusted in accordance with the taxation laws and regulations of the jurisdictions in which the Group operate. The relationship between the tax expenses and the accounting profit can be explained as follows:

	2025	2024
	AED'000	AED'000
Profit before tax	1,702,421	1,295,618
Accounting profit subject to income tax, net	1,702,421	1,295,618
Adjustment in determining taxable profit:		
Income/expenses not considered in determining taxable income	13,123	34,681
Taxable profit	1,715,544	1,330,299
Net Income tax charge for the year	154,655	114,757
Effective tax rate	9.08%	8.86%

The Group has recognised income tax expense based on the estimate made by the management. The Group's operations in the UAE are subject to income tax with effect from 1 January 2024.

Pillar two

The Organisation for Economic Co-operation and Development (OECD) has issued the Global Anti-Base Erosion (GloBE) Model Rules, which mandate a minimum tax rate of 15% per jurisdiction (Pillar Two). Various countries have either enacted or are in the process of enacting tax legislation to fully or partially comply with Pillar Two. The United Arab Emirates, where the Group's Ultimate Parent Entity is situated, has enacted the Cabinet Decision No. 142 of 2024 on the Imposition of Top-up Tax on Multinational Enterprises. The Group falls within the scope of these rules from 1 January 2025.

Article 9.3 of the UAE DMTT framework offers Initial Phase of International Activity (IPIA) relief, which permits a reduction of the top-up tax to zero for UAE entities for upto five years, provided that specific conditions are met. The Group fulfils the criteria for IPIA relief for FY 2025. Accordingly, Group is not required to provide for current tax under Pillar two.

There is uncertainty regarding whether the Pillar Two model rules create additional temporary differences, whether deferred taxes should be remeasured for the Pillar Two model rules, and which tax rate should be used to measure deferred taxes. In response to this uncertainty, the IASB and AASB issued amendments to IAS 12 'Income Taxes' on 23 May 2023 and 27 June 2023, respectively. These amendments introduce a mandatory temporary exception to the requirements of IAS 12, under which a company does not recognize or disclose information about deferred tax assets and liabilities related to the OECD/G20 BEPS Pillar Two model rules. The Group applied this temporary exception as of 31 December 2025.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

39 Segment reporting

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

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

39 Segment reporting (continued)

Information about reportable segments

	Property		Investments		Manufacturing contracting and services		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Sales of goods and provision of services	113,090	88,612	32,189	18,188	1,219,580	1,098,150	1,364,859	1,204,950
Rental income	1,191,215	1,051,408	-	-	-	-	1,191,215	1,051,408
Contract revenue (over time)	-	-	-	-	266,762	233,214	266,762	233,214
Sales of properties - at a point intime	82,124	187,175	-	-	-	-	82,124	187,175
- Overtime	551,683	841,583	-	-	-	-	551,683	841,583
Gain on fair valuation of investment properties	836,910	856,663	-	-	-	-	836,910	856,663
Gain on fair valuation of investments	-	-	150,204	114,218	-	-	150,204	114,218
Gain on sale of investment properties	22,926	2,057	-	-	-	-	22,926	2,057
Gain on sale of investments	-	-	4,951	32,074	-	-	4,951	32,074
Share of profit from equity accounted investees	-	-	107,901	84,822	-	-	107,901	84,822
Dividend income	-	-	48,362	53,188	-	-	48,362	53,188
Total income	2,797,948	3,027,498	343,607	302,490	1,486,342	1,331,364	4,627,897	4,661,352
Cost of sales and providing services	(1,009,569)	(1,269,125)	-	-	(1,079,398)	(1,039,564)	(2,088,967)	(2,308,689)
Administrative expenses	(136,362)	(134,871)	(188,889)	(140,525)	(261,380)	(230,596)	(586,631)	(505,992)
Finance costs	(275,164)	(309,094)	(42,538)	(60,206)	(42,905)	(50,708)	(360,607)	(420,008)
Net impairment losses on financial assets	(30,359)	(204,795)	-	-	(24,668)	(67,200)	(55,027)	(271,995)
Finance income and other income	115,044	89,490	3,273	22,941	47,439	28,519	165,756	140,950
Profit before tax	1,461,538	1,199,103	115,453	124,700	125,430	(28,185)	1,702,421	1,295,618
Total assets	16,135,585	15,719,900	5,073,594	4,452,499	2,069,239	1,926,438	23,278,418	22,098,837
Total liabilities	5,594,193	5,159,377	1,311,973	1,473,326	1,148,782	1,132,128	8,054,948	7,764,831

The Group's revenue is mainly earned from transactions carried out in UAE and other GCC countries. Additionally, the Group's assets are mainly based in UAE.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies

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

40.1 Basis of consolidation

(a) Business combinations

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

The Group measures goodwill at the acquisition date as:

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

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

Any goodwill that arises is tested annually for impairment.

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

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

(b) Subsidiaries

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

(c) Non-controlling interests

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.1 Basis of consolidation (continued)

(d) *Loss of control*

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

(e) *Interests in equity-accounted investees*

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

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

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

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

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

(f) *Transactions eliminated on consolidation*

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.2 Revenue

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

- Step 1 Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2 Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3 Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- Step 5 Recognise revenue when (or as) the entity satisfies a performance obligation.

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

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

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

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

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

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.2 Revenue (continued)

(a) Revenue from sale of goods

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

(b) Revenue from sale of properties

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

Management estimates the cost to complete for construction of the project in order to determine the cost attributable to revenue being recognised. These estimates include the cost of constructing property, potential claims by contractors and the cost of meeting other contractual obligations to the customers.

Infrastructure cost allocated to each project is released to the consolidated statement of profit or loss, as cost of properties sold within 'cost of sales and providing services', based on the percentage of construction completed confirmed by external consultants for each project and percentage of infrastructure cost incurred at each period end to the total estimated infrastructure cost.

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

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

(c) Revenue from services rendered

Revenue from services rendered is recognised in the accounting period in which control of the services are passed to the customer, which is when the service is rendered.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.2 Revenue (continued)

(d) Rental income

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

(e) Contract revenue

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

(f) Dividend income

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

40.3 Government grant

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

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

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

40.4 Finance income and expense

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

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.5 Property, plant and equipment

(a) Recognition and measurement

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

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

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

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

(b) Reclassification to investment property

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

(c) Subsequent costs

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

(d) Depreciation

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

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

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

	Years
Buildings	5-33
Plant and equipments	3-50
Office equipments and furniture	3-10
Motor vehicles	3-7
Roads and infrastructure	10-15

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.5 Property, plant and equipment (continued)

(d) Depreciation (continued)

Depreciation methods, useful lives and residual values are reviewed at each reporting period and adjusted if appropriate. Capital work-in-progress is stated at cost and includes assets that are being developed for future use. On completion of construction / once commissioned, capital work-in-progress is transferred to the respective category within property, plant and equipment, and depreciated in accordance with the Group's policy.

(e) Leased assets

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

40.6 Intangible assets

(a) Subsequent measurement

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

(b) Other intangible assets

Other intangible assets including technical know-how, product registration certificates, licenses and patents and trademarks, concession rights and customer contracts that have finite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses. These are amortised as per management's estimate of their useful life, which is between 5 to 15 years.

(c) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

40.7 Investment properties

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.7 Investment properties (continued)

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

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

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

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

40.8 Inventories

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

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

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

(b) *Properties held for development and sale*

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

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

40.9 Contract work-in-progress

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.10 Financial instruments

(a) Non-derivative financial assets

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

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

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

(i) Financial assets measured at fair value

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

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

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

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

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

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

Cash and cash equivalents

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.10 Financial instruments (continued)

(b) Non-derivative financial liabilities

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

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

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

40.11 Foreign currency

(a) Foreign currency transactions

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

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

(b) Foreign operations

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

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.12 Provisions

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

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

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

40.13 Impairment

(a) *Non-derivative financial assets*

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

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

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

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.13 Impairment (continued)

(b) *Equity-accounted investees*

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

(c) *Non-financial assets*

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

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

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

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

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

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

40.14 Provision for employee's end of service benefits

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.15 Leases

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

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

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

As a lessee

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

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

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

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.15 Leases (continued)

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

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

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

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

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

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

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

Short-term leases and leases of low-value assets

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

Variable lease payments

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

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.15 Leases (continued)

As a lessor

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

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

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

40.16 Earnings per share

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

40.17 Current and deferred income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of the transaction affect neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Dubai Investments PJSC and its subsidiaries

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

40 Material accounting policies (continued)

40.17 Current and deferred income tax (continued)

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow 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 if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

In determining the amount of current and deferred tax the Group takes into account the impact of uncertain tax positions and whether additional taxes and penalties may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact the tax expense in the period that such a determination is made.

40.18 Segment reporting

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