Where together is great for business

TECOM GROUP

Annual Report
2024

TECOM Group has been a visionary force in shaping Dubai's business landscape since 1999. Our 10 specialised business districts cater to diverse industries, fostering innovation and collaboration.

OUR REGULATORY ANNOUNCEMENTS AND PERIODIC REPORTS CAN BE FOUND ON OUR GROUP WEBSITE.

tecomgroup.ae

Our values

P

Pioneering
By changing the game

A

Attentive
By upholding excellence

Read more on page 40

C

Committed
By taking the long-term view

E

Entrepreneurial
By nurturing win-win relationships

Read more on page 42

Our Vision

To lead the curation of innovative ecosystems that drive sustainable growth and future development.

Our Purpose

To drive sustainable, inclusive growth and innovation that promotes prosperity and community impact.

Our Mission

To create interconnected economic destinations that propel a vibrant economy, enhance work-life, and strengthen Dubai's global reputation as one of the best places to do business worldwide.

Read more about our success on page 16

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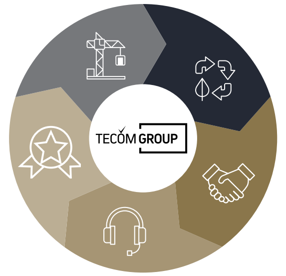
Our Business Model: creating the environment for business to thrive



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Environmental, Social and Governance: Being a responsible corporate citizen

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Delivering Strong Financial Performance

> **"Our full-year results reaffirm TECOM Group's unwavering commitment to delivering robust, year-on-year growth, consistently outperforming in a competitive marketplace.**
>
> **Our consistent performance, driven by high occupancy rates and strategic asset management, has significantly enhanced shareholder value, reinforcing our leadership in Dubai's economic landscape.**

Abdulla Belhoul
Chief Executive Officer
TECOM Group

Financial Highlights

By the close of the year, TECOM Group's net profit surged by 14% to AED 1,228 million, driven by strong operational performance and increased occupancy rates.

Revenue
AED 2,402M
+11%
Growth YOY

'22	1,973
'23	2,173
'24	2,402

EBITDA
AED 1,854M
+12%
Growth YOY

'22	1,347
'23	1,654
'24	1,854

EBITDA Margin
77%
+1%
Growth YOY

'22	68.2%
'23	76.1%
'24	77.2%

Net Profit
AED 1,228M
+14%
Growth YOY

'22	726
'23	1,078
'24	1,228

Key Operational Highlights

By optimising our portfolio and prioritising tenant needs, TECOM Group continues to set new industry benchmarks, fostering long-term partnerships and sustainable growth.

94%
Occupancy

92%
Customer Retention

AED 2,236M
Passing Annual Rent
+17% higher than in 2023

9.5 years
WALT Including Land

EPRA Measures

TECOM Group's strong EPRA metrics demonstrate its commitment to industry-leading standards, providing clear insights into its operational excellence and value creation for stakeholders.

EPRA Return
AED 0.33
+11%
Growth YOY

'22	0.20
'23	0.30
'24	0.33

EPRA NIY
6.7%
0.0%
Growth YOY

'22	6.6%
'23	6.7%
'24	6.7%

EPRA NAV per Share
AED 4.14
+21%
Growth YOY

'22	3.01
'23	3.43
'24	4.14

EPRA Earnings
AED 1,638M
+9%
Growth YOY

'22	1,024
'23	1,502
'24	1,638

ESG Highlights

Throughout 2024, TECOM Group's commitment to impact-led ESG practices has enhanced its environmental stewardship, governance and social responsibility across all business districts.

43
LEED Certified Buildings
+39%
Growth YOY

410
Net Active Start-ups
+8%
Growth YOY

7.75%
Solar Energy Contribution
+7%
Growth YOY

20.3
Avg. Training hours per employees
+33%
Growth YOY

35%
Female Employees
+1.4%
Growth YOY

Explore Our 2024 Achievements

A thriving ecosystem of future growth

Our ecosystem

The Group is playing a strategic role in advancing Dubai's commercial and industrial landscape and reaffirming its status as a global hub for investment and business.

10 Business Districts

6 Sectors

4 Segments

Our Segments

Our leading commercial, industrial, and land leasing portfolio offers a diverse selection across various asset classes, sectors, and communities. Furthermore, our comprehensive range of government and business services enhances value and drives success for our clients.

Spread across a range of real estate products and ancillary business services.

199M sq. ft. Leasing Space

Commercial Leasing
Offices
Retail

Industrial Leasing
Logistics
Worker accommodation

Land Leasing
Industrial Land
Commercial Land

Services
Business and Government Services (axs)
Co-working space
Innovation Centres for start-ups and entrepreneurs
Freelance services
Advertising and Venue Management (AVMS)

Our Sectors

Our portfolio consists of 10 business districts catering to 6 vital knowledge-based economic sectors.

Manufacturing 34%
DUBAI INDUSTRIAL CITY

Technology 20%
DUBAI INTERNET CITY
DUBAI OUTSOURCE CITY

Media 15%
DUBAI MEDIA CITY
DUBAI STUDIO CITY
DUBAI PRODUCTION CITY

Education 14%
DUBAI KNOWLEDGE PARK
DUBAI INTERNATIONAL ACADEMIC CITY

Science 5%
DUBAI SCIENCE PARK

Design 12%
DUBAI DESIGN DISTRICT

An Integral Part of Dubai's Economic Diversification

Our six vital knowledge based economic sectors are meticulously crafted to the unique needs of the industry. These areas offer our clients versatile and purpose-built environments that facilitate operation, collaboration, growth, and success.

153
Commercial Buildings

92
Worker Accommodations

177M
Land Leasing Area (sq ft)

1,140
Warehouses

Our Complementary Services

We also empower our customers and the wider community with critical government and business services, including:

axs – our business and government digital platform to support customers in countless way

in5 – our enabling platform for entrepreneurs and start-ups to grow and succeed

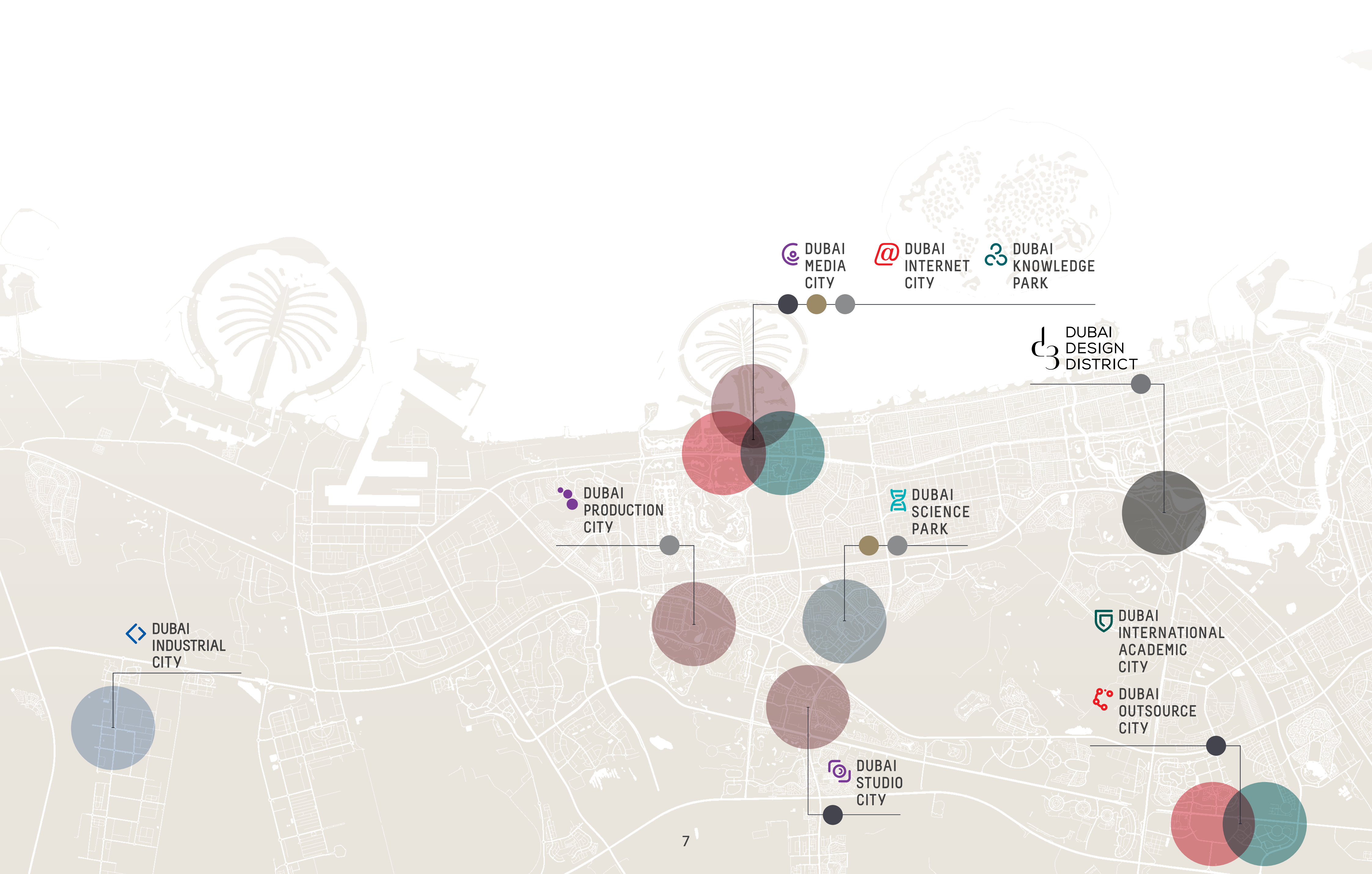
D/Quarters – our future-focused co-working spaces that deliver stimulating work environments

GoFreelance – our business license package for freelance talent to operate independently

axs · D/Quarters · In5

Our Sectors

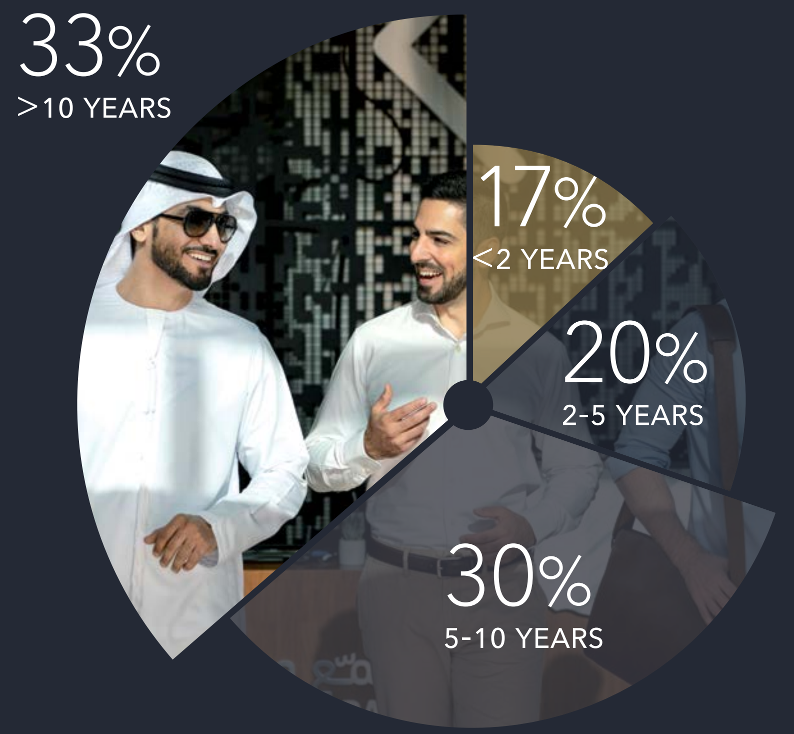
- Technology
- Media
- Education
- Science
- Design
- Manufacturing



Creating Connected Communities

More than 11,900 businesses and 137,000 people call TECOM Group home.

As the beating heart of Dubai's economic development, TECOM Group is a rich business environment of over 11,900 businesses and more than 137,000 people. It is an ecosystem that has fostered customer loyalty for over two decades as 63% of our income comes from clients who have been with us for over five years and 33% for over a decade. The value we provide is clearly illustrated in the strength of the relationships we foster and the success that businesses at TECOM Group enjoy.



"We are delighted to be a principal business partner within Dubai Internet City, home to our regional headquarters for the CEMEA region. Dubai's strategic location, exceptional talent, and world-class infrastructure have helped Visa to grow the digital economy in more than 80 countries, further reinforcing Dubai's status as an innovation hub."

VISA

"TECOM Group has been instrumental in setting up the new Himalaya facility in Dubai Science Park, providing outstanding support in infrastructure development and facilitating essential services seamlessly."

Himalaya SINCE 1930

"At Boston Scientific, we are proud to be part of Dubai Science Park, a hub that exemplifies innovation and forward-thinking. Being in this vibrant community underscores our commitment to improving patient outcomes and shaping the future of healthcare through collaboration and excellence."

Boston Scientific

"Our relationship with Dubai Knowledge Park (DKP) is more than just a location; it's a true partnership that drives innovation and growth for both UOWD and the wider community. As a principal business partner, we have the privilege of collaborating with DKP's dynamic ecosystem, connecting with like-minded institutions and organisations that share our commitment to education and knowledge exchange. DKP's support has been integral to fostering opportunities for our students, enabling meaningful industry collaborations, and positioning UOWD as a leader in higher education within the region."

University of Wollongong in Dubai

Driving Growth, Innovation, and Excellence Across Dubai's Business Landscape

Elevating our Premium Commercial and Industrial Portfolio

By the close of 2024, TECOM Group had completed its largest-ever period of expansion in its portfolio of premium commercial and industrial assets with a total investment of AED 2.7 billion. These comprise a series of deals that include the purchase of existing grade A office buildings, new developments and land in alignment with the Group's strategic growth.

Total Investments 2024

AED 2.7B

Shaping the Future of Dubai's Business Landscape

Dubai Design District

Thriving Customers and New Partnerships

In this milestone year, Dubai Internet City (DIC) has reinforced its global influence by being chosen by the South Korean government-backed National IT Industry Promotion Agency (NIPA) as the regional office for the Korea IT Cooperation Centre UAE (KICC UAE).

Customer Wins in 2024

dyson | nipa | BRUNELLO CUCINELLI

Customer expansion

HERIOT WATT UNIVERSITY | Middlesex University

Increased Footprint by

+20%

Increased Footprint by

+15%

Dubai Internet City

New customers

+900

Customer Satisfaction

+87.1%

This collaboration highlights DIC's role as a hub for international partnerships and serves as a gateway for Korean technology companies to expand into the Middle East by fostering strategic relationships with key government entities and industry leaders.

DIC's success in attracting prominent new clients in 2024, including Dyson, Brunello Cucinelli, underscores its appeal to businesses seeking a thriving and innovative ecosystem. At the same time, DIC has demonstrated its commitment to supporting the expansion of existing customers. Notable examples include Bottega Veneta, Yango, and Z7 Communications, which have all scaled their operations within DIC. Furthermore, long-standing partners such as Heriot-Watt University and Middlesex University have significantly increased their footprints by over 20% and 15%, respectively, reflecting their confidence in DKP and DIAC's ability to support sustained growth.

Catalysing Start-up Success

Growth at the start-up incubator in5 is a testament to Dubai's entrepreneurial credentials and robust investor confidence in the city's pro-business environment.

More than 1,000 start-ups have been supported since in5's inception, a 7.8% increase in active start-ups from the same period in 2023. Collective funding since its inception reached an impressive AED 7.8 billion – an increase of 163% since 31 December 2023.

> in5 conducts bootcamps quarterly for young founders. They talk about different stages of building a business, the legal and hiring aspects, and even fundraising. These topics are great education and upskilling sessions as we move to the next phase.

Atul Bansal
Founder at LivLyt, in5 entrepreneur

Start-ups Supported
+1,000

Active Start-ups Since 2023
+7.8%

Collective Funding
AED 7.8B

Increase in Collective Funding Since 2023
163%

YEAR IN REVIEW – CONTINUED

Strategic Report | ESG | Corporate Governance | Financial Statements

Enhancing Communities and Supporting Customer Growth


Dubai International Academic City

In 2024, TECOM Group enhanced its business ecosystems by improving services for new and existing customers.

The Group's smart integrated business service platform, axs, won awards for innovation and customer service as a one-stop-shop for business and government services in 2024. A key example is the new partnership with VFS Global, adding visa processing and document attestation to the 200+ services already at axs. The addition of VFS Global supports over 11,900 customers and 137,000 professionals. Additionally, new co-working spaces like D/Quarters at Dubai Science Park offer flexible solutions for a fast-growing cohort of start-ups and SMEs, reflecting TECOM Group's commitment to helping businesses grow and succeed.

Supported Professionals
137,000+

Number of transactions
182,000+
+8% YoY

Industry Collaborations and Awards

TECOM Group received multiple industry awards in 2024, reflecting its commitment to innovation and sustainability.

Dubai Industrial City was named "Best Industrial Development" at the Real Estate Awards for its contributions to the UAE's manufacturing sector, while the Group's business services platform, axs, won awards in nine categories at the Stevie Awards. Additionally, the Dubai Supreme Council of Energy recognised TECOM Group with the 'Exemplary Retrofit Project Award' for its sustainability efforts. These achievements highlight TECOM Group's focus on driving excellence across its operations.

المجلس الأعلى للطاقة
Supreme Council of Energy

Major Events

FIFA Beach Soccer World Cup UAE 2024

d3 proudly supported the FIFA Beach Soccer World Cup UAE 2024, which brought together 16 international teams at a stadium in d3 with a capacity of 3,500 spectators, specially constructed in 25 days which hosted 32 matches in February 2024.

February '24

Advancing Community Health

In 2024, the Group reaffirmed its commitment to community wellness through enhanced participation in the Pink Caravan Initiative. The Group also organised impactful wellness workshops across its portfolio of business districts, empowering communities with knowledge on breast cancer awareness and the importance of early detection.

April '24

Empowering Emirati Women

We celebrated Emirati Women's Day in 2024 by hosting dynamic workshops and panel discussions that showcased the transformative impact of Emirati women on the UAE's future. Khadija Al Bastaki, Senior Vice President of Dubai Design District (d3), shared her visionary insights on leadership and innovation in the creative industries, inspiring the next generation of female leaders.

August '24

March '24

The Good Store 2.0

Through our ongoing partnership with Emirates Red Crescent, we continue to support The Good Store initiative, offering a seamless donation platform during Ramadan and Eid Al-Fitr.

May '24

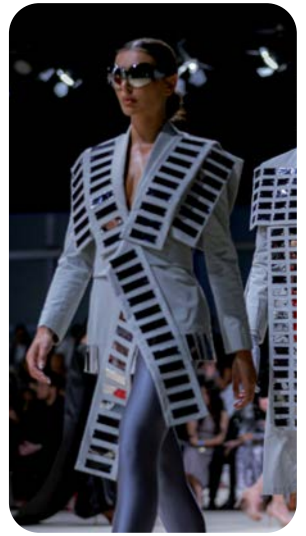
Make it in the Emirates Forum Participation

Dubai Industrial City is actively engaged in the Make it in the Emirates Forum, aligning with the UAE's industrial strategy to position itself as a leader in future industries.

Community Events

Dubai Fashion Week: A Global Showcase

The third edition of Dubai Fashion Week captivated international audiences by featuring iconic international brands like Versace and Roberto Cavalli alongside rising local talent, further cementing Dubai's position as a global fashion capital.



September '24

A Decade of Design Excellence

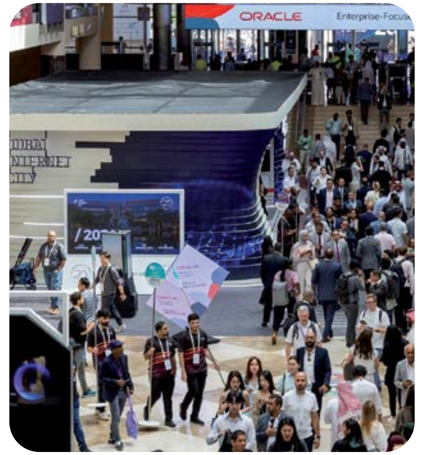
Dubai Design District (d3) celebrated its 10th anniversary with the most expansive edition of Dubai Design Week, showcasing over 500 designers and their groundbreaking installations. As part of Design Week, d3 also launched Design Next, a collaborative design initiative launched by Dubai Design District (d3) and Isola Design Group, which is a first-of-its-kind exhibition in the UAE focusing on the circular economy. The exhibition aims to foster new perspectives on sustainable design, design technologies and innovative materials by local, regional and global designers and studios.

November '24

October '24

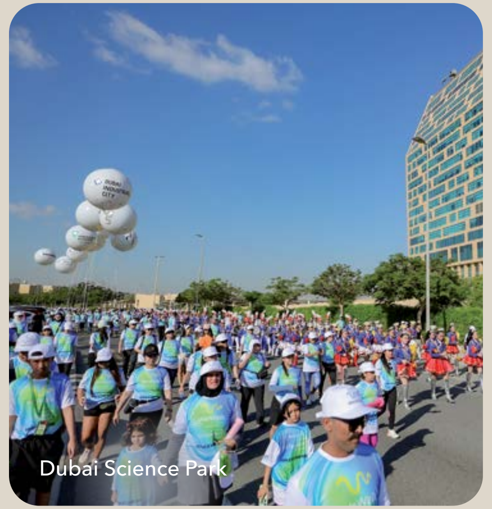
GITEX Global Participation

Dubai Internet City played a pivotal role as a 'knowledge partner' at GITEX Global 2024, held from 14 to 18 October. The event showcased groundbreaking technologies and facilitated international partnerships.



We Walk

TECOM Group organised WeWalk, an annual walkathon dedicated to promoting health and social responsibility while supporting important causes. The event encouraged physical activity and supported a range of important charitable causes.



P A C E

A Vision-Turned Reality

Celebrating 25 years of Trailblazing Innovation

Since its inception in 1999, Dubai Internet City (DIC) has been a beacon of technological innovation and a cornerstone of Dubai's evolution into a global tech hub. Created by H.H. Sheikh Mohammed bin Rashid Al Maktoum, to establish Dubai as a leader in the digital economy, DIC has become one of the most successful technology hubs worldwide, housing 4,000 companies and fostering innovation and economic growth.

How we are achieving it:

- Creating industry ecosystems
- Fostering talent and innovation

→ Read more on page 38

Discover Our Success Story

> It is said that all of mankind's achievements throughout history have started as a dream and an idea. The world to come will be one driven by communications and internet innovations."

His Highness Sheikh Mohammed bin Rashid Al Maktoum
Vice President and Prime Minister of the United Arab Emirates and Ruler of Dubai

Foundational Vision: Building Dubai's Digital Future
Envisioned as more than a business district, DIC was created to be an incubator for ideas, a meeting point for tech leaders, and a gateway for international firms. DIC aimed to attract multinationals and startups, providing the infrastructure and support for success. This vision has materialised over the past 25 years. DIC is home to global giants like Microsoft, IBM, Cisco, and Oracle while nurturing startups within the DIC ecosystem. Dubai's strategic location has reinforced DIC's importance as a hub for businesses entering new markets.

Growth and Development: A Catalyst for Economic Diversification
Over 25 years, DIC has advanced the UAE's digital economy by supporting innovation and entrepreneurship. The 2024 Innovation Hub expansion reflects its commitment to infrastructure for technology, education, and media, benefiting startups and multinationals. With facilities like Alibaba Cloud's training centre, DIC enhances digital capabilities while offering flexible spaces and access to talent, maintaining strong occupancy in e-commerce, fintech, and AI.

Contribution to Dubai's GDP	Customers	Professionals
AED 100B over 15 years	4,000	31,000+

Our Journey

1999

hp, IBM, Microsoft, Canon, ORACLE, HUAWEI, temenos

2004

Deloitte., du, Google, GE, intel, logitech, SAP

Jobs created
125,000

Start-up funding raised
AED 8B

Contribution to GDP in 2023
AED 11B

Innovations and Milestones: New Frontiers

DIC has reshaped the region's tech landscape through partnerships with firms like Huawei, Samsung, SAP, Hisense and Intel. It has also nurtured startups like Wrappup, Tabby, and Careem, which became unicorns. Events like GITEX Global further connect businesses with investors, boosting Dubai's global tech reputation. In addition to these achievements, DIC has seen remarkable growth in research and development (R&D) activities with the establishment of over 19 new R&D centres.

Impact on Dubai's Economy: Driving Digital Transformation

DIC has transformed Dubai into a knowledge-based economy, contributing AED 100 billion to the city's GDP over 15 years. With over 31,000 professionals in its business park, it drives job creation and talent development across ICT and digital media sectors.

The district today generates 65% of Dubai's technology sector GDP.

Looking Ahead: Shaping Tomorrow's Innovations

As DIC celebrates its 25th anniversary in 2024, it remains steadfast in its mission to drive innovation and digital transformation globally. With an emphasis on AI-driven solutions, blockchain technologies, Web3 advancements, and sustainability practices within its business park, DIC is poised to lead the next wave of technological breakthroughs. Its commitment to fostering talent and creating opportunities ensures that it will continue shaping Dubai's future as a regional tech powerhouse for decades to come.

Our Journey continued

2009

2014

"If you compare Dubai to other areas in the region, for the ease and speed of getting a business registered, and having clarity and support in that process; I think other countries pale in comparison."

"There are very clear reasons for all of the multinationals to be in Dubai: the location, talent, ease of doing business. Dubai Internet City facilitated a lot of these supporting elements for our business. Dubai has been the hub for technology in the Middle East and Africa. And now it's growing to become a world-wide hub for technology and innovation."

"I turned down many job offers if I did not like the environment, and if it did not look like Dubai Internet City. Because either your commute is too long, or you cannot get a decent lunch close to your office. I think it's a big plus to be here. I feel Dubai Internet City is also working on improving. We have gyms and many restaurants. They've made it really nice to come here on a daily basis."

"We opened the 'Experience Zone', with TECOM Group, the Minister of AI, Dr. Omar and myself. We have training centres, we have labs for testing various solutions, and all the IT companies around us love it because they come and work with us on just that."

"Dubai in general and Dubai Internet City in particular is a positive environment for people, especially those with families. You have state-of-the-art education and health facilities, to come and really establish life for yourself and your family."

Our journey continued

2019

2021

2024

Investing for a sustainable future

Dear Shareholders,
I am pleased to present TECOM Group's 2024 Annual Report, which outlines our key achievements and strategic milestones. We take pride in our progress and are optimistic about future opportunities as we contribute to Dubai's economic growth. The city's success is underpinned by its position as a global hub for investments and business, as well as ambitious government strategies and initiatives that have contributed to Dubai's economy and enhanced the city's performance across key sectors.

This continued GDP expansion is also driven by robust investments and government support aimed at diversifying the city's sources of economic growth, as well as the inherent value of Dubai's leading position as a global investment and talent hub.

Dubai's position as a global hub has been solidified by decades of strategic investments in regulatory frameworks, infrastructure, public services, and specialised business districts.

Dubai's unique status on the world map contributes to our ability to deliver sustained value to our stakeholders. The city's infrastructure supports global connectivity, and its ease of doing business attracts investment and talent from around the world. At TECOM Group, our investment strategy aligns with these dynamics, and we are optimistic about the future we are shaping by harnessing our city's robust fundamentals.

A Historic Investment Cycle

Within this positive context, TECOM Group embarked on a sustainable investment cycle in 2024, underpinned by an AED 2.7 billion roadmap. This strategic plan reflects our clear belief in Dubai's economic fundamentals and unique proposition as a leading destination for investors and businesses.

We are proud to report strong performance in 2024, driven by the success of the Group's strategy and the hard work of our teams.

Portfolio Development

During this landmark year, we acquired AED 1.5 billion worth of commercial and industrial assets and committed to investing AED 1.2 billion towards the development of premium office spaces at Dubai Internet City and Dubai Design District (d3). These investments are designed to enhance our portfolio, support revenue growth, and drive long-term value creation.

Through an AED 410 million transaction, we also acquired an additional land bank spanning 13.9 million sq. ft. for industrial leasing at Dubai Industrial City. This acquisition represents an important pillar of our strategy to advance the region's industrial capacity and support Dubai's vision to drive the growth of Industry 4.0.

Dubai's significant economic expansion across high-growth sectors, including technology, education, design, and science,

> "The Group's 10 business districts are integral to Dubai's economic landscape, fostering a vibrant ecosystem of innovation and entrepreneurship."

Net profit
AED 1,228M
+14% Growth YoY

Dividend per share
AED 0.16

Dividend Coverage
154%

is also a key driver of the Group's investment strategy. We are witnessing exponential growth in these areas, and our investments focus on developing spaces and services that deliver immediate revenue growth, particularly in districts like d3, where demand is outstripping supply.

The continued high demand for our 10 business districts is fundamental to Dubai's economy. Throughout 2024, we maintained high occupancy rates across all segments, encouraging our continued investment in new assets. This demand has enabled the Group to continue growing its revenues and profits in double digits while also expanding its customer base.

Commitment to Governance and Responsibility

The continued strength of the Group's financial performance is also strengthened by its commitment to environmental, social, and governance (ESG) principles. In 2024, we improved green energy infrastructure and energy efficiency across our portfolio. Our community initiatives in 2024 underscore our dedication to social responsibility. ESG serves as a guiding framework for our corporate decision-making process, ensuring strong governance, social impact, and environmental protection.

Empowering Knowledge and Talent

A sustainable economy greatly relies on a skilled workforce, and TECOM Group has made strides in attracting educational institutions and partnering with industry leaders to nurture local talent. In 2024, we welcomed more than 33,500 students across various educational initiatives and supported 410 start-ups through our business districts. Our districts are leading this effort, aligning with the Dubai Economic Agenda 'D33' for talent development across our portfolio. With more than 137,000 employees across the Group's ecosystems, we contribute significantly to Dubai's economic aspirations.

Delivering Value to Shareholders

Our focus on high-growth sectors has translated into a solid financial performance in 2024. We maintained regular dividend payments while witnessing considerable appreciation in share value, benefitting from continuous year-on-year double-digit growth since our listing on the Dubai Financial Market (DFM). Earnings per share (EPS) reached AED 0.25 in 2024, and net profit improved by 14% compared to 2023, signifying TECOM Group's strong financial health during this period.

Future Outlook

Committed to driving innovation and economic diversification in Dubai and the UAE, we foresee opportunities for expansion in areas including artificial intelligence, cloud computing, education, and manufacturing. Celebrating milestones like Dubai Internet City's 25th anniversary and the 20th anniversary of Dubai Industrial City in 2024, we proudly reflect on our role in providing competitive and specialised business districts that attract companies and talent from every corner in the world.

I want to express my gratitude to our nation's visionary leadership for its continued support in guiding Dubai's and the UAE's business growth, as well as to all our shareholders, the Board of Directors, and the Group's management, colleagues, and customers. I am confident that TECOM Group will continue to play a pivotal role in realising Dubai's ambitions as a global hub for innovation and sustainable growth.

Thank you for your ongoing support and partnership.

Malek Al Malek
Chairman
TECOM Group

A strategy for innovation and growth

In 2024, we achieved significant strategic and financial milestones, reinforcing our position as a catalyst for innovation, investment, and sustainable economic development in Dubai. Our portfolio valuation increased significantly, reflecting our continued high occupancy and retention rates and the success of our investment strategy.

Our strategic acquisitions and developments have strengthened our portfolio, enabling us to meet the evolving needs of our customers and support Dubai's vision as a global business hub. We made substantial strategic investments that significantly enhance our portfolio of premium commercial and industrial assets, underscoring our commitment to providing the best specialised ecosystems and fostering a dynamic environment for businesses to thrive.

Following consistent growth, the Group delivered another strong financial performance in 2024, posting an impressive increase in net profit to AED 1,228 million, a 14% increase compared to the previous year. This growth is supported by a rise in revenues to AED 2,402 million, reflecting a 11% increase year-on-year. Key drivers of this growth included high occupancy rates averaging 94% across all segments and an 5% increase in rental rates. Occupancy rates reached 99% at Dubai Design District (d3), 98% in storage and logistics facilities, and 97% in worker accommodation, while customer retention stood at an

> "Thanks to our robust capital management strategy, our financial foundation is exceptionally solid and perfectly poised to support our ambitious future endeavours."

impressive 92%. These results underscore the resilience of our diversified portfolio and the effectiveness of our future-focused investments and operational strategy.

It was also important for the Group to maintain a sharp focus on operational efficiencies during this period of significant investment, resulting in an EBITDA margin of 77%. Our debt-to-equity ratio of 0.8x provides flexibility for future growth opportunities.

Enhancing and Enriching the Business Portfolio

Throughout 2024, TECOM Group demonstrated its commitment to enriching and expanding its business portfolio. Our Grade A office spaces now exceed 22 million sq. ft., reinforcing our role as a strategic driver in Dubai's business sector. Additionally, our land leasing portfolio now spans over 176 million sq. ft., solidifying our leading role in shaping the industrial landscape in Dubai and the UAE.

The launch of d3 Phase 2 and Innovation Hub Phase 3 at Dubai Internet City marks a significant milestone in our expansion efforts. These developments will address the growing demand for high-quality Grade A commercial assets tailored to customer specifications. Additionally, we welcomed two major expansions from Amazon and TikTok at Innovation Hub Phase 2, which is nearing completion, and announced new developments including Dubai Science Park's storage and logistics facilities. These projects further cement TECOM Group's leadership in enhancing Dubai's business proposition.

Our strategic investments are pivotal, solidifying our leadership in Commercial and Industrial sectors, which are critical to sustainable economic growth and securing a competitive advantage for the future.

In addition to expanding our portfolio, we continue to enhance the ease of doing business through strategic partnerships with organisations like VFS Global.

Commitment to Sustainability and ESG

The continued expansion of the Group's assets and services is integral to its ability to sustain growth – particularly within the context of rising customer demand in an increasingly diverse non-oil economy. Sustainability remains a cornerstone of TECOM Group's growth strategy and investment mandate. In 2024, we also reaffirmed our commitment to environmental sustainability and social impact – key pillars of the Group's strategy for responsible value creation.

In 2024, we increased the number of LEED-certified buildings in our portfolio to 43 and enhanced our electric vehicle (EV) charging capacity with the addition of 17 new stations. The Dubai Supreme Council of Energy recognised our efforts in sustainability with the Exemplary Retrofit Project award.

Our partnership with Emirates Red Crescent continued in 2024 through The Good Store initiative, which provides a seamless donation platform during Ramadan and Eid al-Fitr. This important work underscores our dedication to making a positive social impact and encouraging charitable support for those most in need.

Our social initiatives are fundamental to our business philosophy. They aim to significantly impact the community and demonstrate our commitment to societal improvement and corporate responsibility.

We have also made significant strides in further reducing our carbon footprint by implementing additional solar energy projects across key business districts. These projects align with the UAE's vision for achieving net zero emissions by 2050 and demonstrate our commitment to sustainable development.

EBITDA
AED 1,854M
+12% Growth YoY

FFO
AED 1,643M
+14% Growth YoY

Valuation
AED 28B
+22% Growth YoY

"Our strategic investments are pivotal, solidifying our leadership in Commercial and Industrial sectors, which are critical to sustainable economic growth and securing a competitive advantage for the future."

Fireside chat with the CEO

We have concluded a series of strategically important and transformative investments that will secure sustainable ecosystem development, customer satisfaction, investor confidence and our ability to drive Dubai's global vision.

Q How did TECOM Group enhance its business districts to support Dubai's vision as a global business hub?

A In 2024, TECOM Group expanded its portfolio of premium commercial and industrial assets and invested in strategic projects that align with Dubai's vision. These efforts aim to create a dynamic environment where businesses can thrive, supporting the city's role as a global business hub.

Q How did TECOM Group foster innovation and support start-ups in 2024?

A TECOM Group enhanced its start-up ecosystem through strategic partnerships and the expansion of co-working spaces like D/Quarters. The Group also signed multiple MoUs with international entities to bolster the in5 incubator's community while continuing to provide start-ups cutting-edge research and development facilities.

Q What initiatives did TECOM Group undertake to promote sustainability in 2024?

A TECOM Group is committed to sustainability and is implementing solar energy projects across key business districts, expanding its portfolio of LEED-certified buildings, and expanding electric vehicle charging capacity. These initiatives support the UAE's vision for net zero emissions by 2050, demonstrating our commitment to sustainable development.

Q What role did customer satisfaction play in TECOM Group's strategy for 2024?

A Customer satisfaction is central to TECOM Group's strategy, evidenced by high retention rates during the year. The Group focuses on providing interconnected business ecosystems and services that meet the needs of modern businesses, ensuring customers remain at the heart of all our operations.

"Our unwavering focus on customer satisfaction drives our operational strategies. We ensure that our offerings not only meet but anticipate the needs of our customers, solidifying their loyalty and strengthening TECOM Group's market position."

Strategic Partnerships and Customer Growth

Looking at drivers of growth and value creation, our strategic partnerships have been pivotal in driving development across TECOM Group's business districts. In 2024, we welcomed more than 900 new customers, including multinational and regional leaders across the commercial, industrial, and land sectors. Our customer retention rates remain high at 92%, reflecting satisfaction with our interconnected ecosystems and business services.

TECOM Group's business districts are home to over 137,000 professionals who benefit from their strategic locations, which offer collaboration opportunities within high-quality work environments. As part of this success story, we signed multiple Memorandums of Understanding (MoUs) with international entities aimed at strengthening Dubai's start-up ecosystem through our in5 incubator, which has supported more than 1,000 startups that have raised a total of AED 7.8 billion since its inception in 2013.

These partnerships are crucial as we continue fostering innovation while supporting start-ups' growth through sector-specific infrastructure, facilities, and networking opportunities. The success of these partnerships is evident in the increased demand for co-working spaces at D/Quarters. Capacity at D/Quarters' spaces at Dubai Science Park doubled in 2024. This trend highlights the growing preference for flexible workspaces that cater to modern businesses' evolving needs.

Looking ahead: Goals for 2025

As we look forward to 2025, TECOM Group is poised to continue its trajectory of success. We are committed to further advancing our business districts as the destinations of choice for both current and potential customers.

Aligned with Dubai's long-term economic objectives under Dubai Economic Agenda 'D33', we will continue to strengthen Dubai's standing as a global business hub by fostering foreign investment and attracting talent in six vital sectors. Furthermore, we expect that the strategic acquisitions and developments that defined 2024 will unlock greater value for shareholders while supporting Dubai's knowledge-based economy in the coming years.

In closing, I appreciate our Board of Directors' guidance, and thank our employees for their tireless efforts, dedication, and commitment.

I also extend my gratitude to shareholders and customers who trust in TECOM Group's vision. I am confident that the Group will achieve outstanding results as we continue on this journey of success.

Abdulla Khalifa Belhoul
Chief Executive Officer
TECOM Group

Our Equity Story

TECOM Group's equity story is firmly anchored in its operational excellence, a testament to its strong financial performance, a long history of sustainable growth, and pivotal role in advancing Dubai's knowledge-based economy.

TECOM Group offers a compelling investment case through its strategic growth, financial strength, and commitment to delivering value to shareholders. The Group's ability to attract global companies while maintaining high occupancy rates makes TECOM Group an attractive choice for investors seeking sustainable, long-term value and a strong return on investment.

1

Market Position and Leadership

TECOM Group has established itself as a market leader in Dubai's commercial and industrial real estate sector by leveraging its strategic portfolio of 10 specialised business districts.

2

Hub for Diversified and Loyal Customers

TECOM Group plays a vital role in Dubai's economic diversification through its 10 specialised business districts, which foster innovation across key sectors like technology, media, design, and manufacturing.

3

Strategic Growth and Expansion

The Group significantly expanded its portfolio to meet the increasing demand for premium business and industrial spaces in 2024, investing a total of AED 2.7 billion.

4

Sustained Shareholder Value

Committed to delivering value to its shareholders, the Group distributed AED 800 million in dividends during year 2024.

5

Consistently Strong Financial Performance

TECOM Group delivered strong financial results in 2024, with revenue growing by 11% and EBITDA increasing by 12%.

6

Accountability, Transparency and Social Responsibility (Governance & ESG)

TECOM Group's ESG framework is built around five key pillars: Economy, Community, People, Environment, and Governance & Risk.

1

Market Position and Leadership

TECOM Group's strategic positioning across 10 specialised business districts, each focused on high-growth sectors like technology and media, uniquely supports Dubai's economic diversification.

By the end of 2024, commercial and industrial property occupancy reached 94%. This sustained demand underscores the Group's ability to foster innovation and collaboration, solidifying its leadership in the commercial real estate sector.

Occupancy Rate – Commercial and Industrial Properties

94%

Occupancy Rate – Land Leases

95%

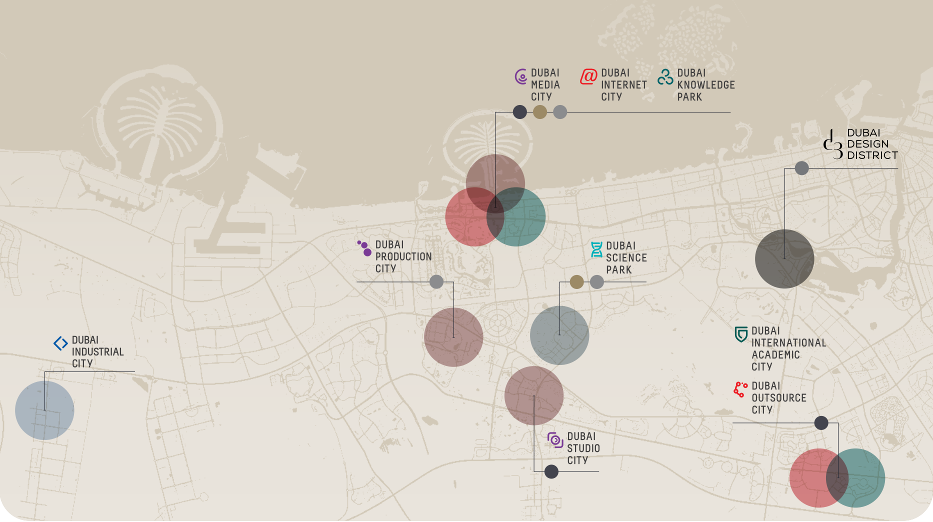
2

Hub for Diversified and Loyal Customers

As a premier business destination, TECOM Group attracts a diverse portfolio of global companies, ranging from multinationals to start-ups.

These companies leverage Dubai's strategic location to access regional and international markets. Customer loyalty, driven by tailored solutions and world-class infrastructure, has reinforced Dubai's reputation as a global hub for commerce and innovation.

Read more on page 8



3

Strategic Growth and Expansion

Dubai Design District Phase 2 (Render)

In 2024, TECOM Group demonstrated its commitment to growth by investing AED 2.7 billion in development projects, acquisitions, and land purchases, with AED 1.2 billion allocated to new developments.

These strategic investments addressed the rising demand for premium spaces and ensured the Group's portfolio remained aligned with evolving market needs and future opportunities.

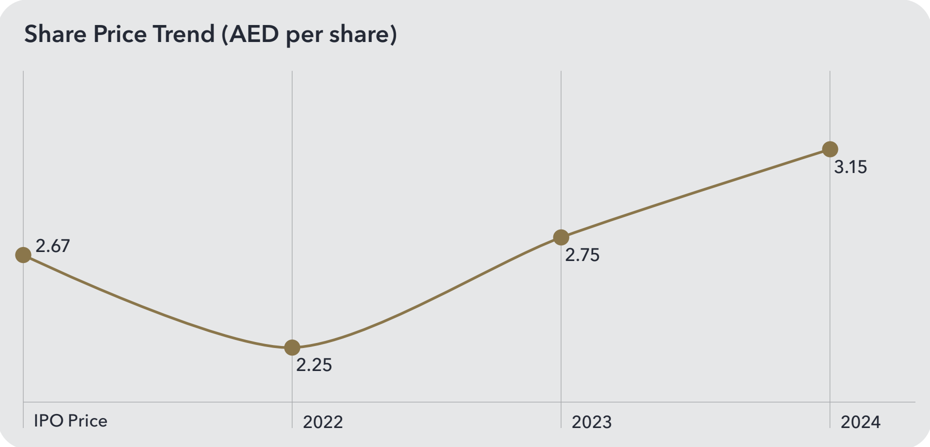
4

Sustained Shareholder Value

TECOM Group reinforced its commitment to delivering shareholder value by distributing AED 800 million in dividends for 2024 while continuing to invest in high-growth developments designed to generate sustainable returns.

The strong performance of its share price reflects investor confidence in the Group's strategy, with robust total shareholder returns further underscoring its ability to consistently deliver value.

Total Shareholder Return
20%

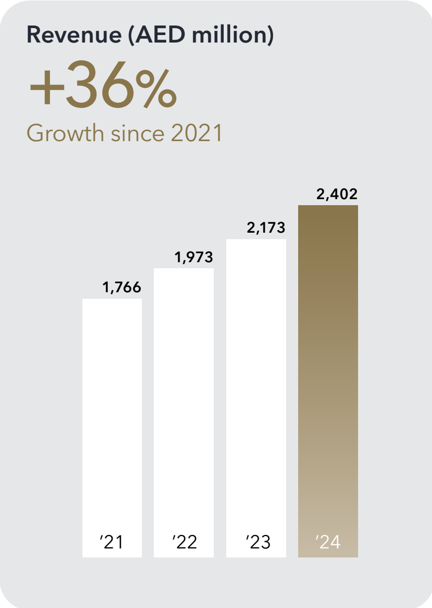


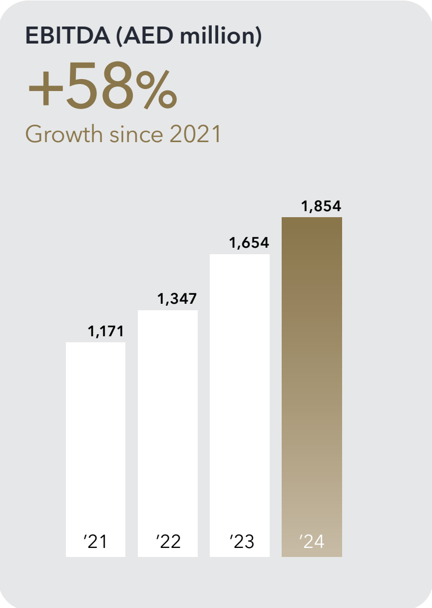
5

Consistently Strong Financial Performance

TECOM Group achieved impressive financial results in 2024, with revenue growing by 11% and EBITDA increasing by 12%.

This was driven by high occupancy rates and operational efficiency that boosted profitability. This solid financial foundation has allowed the Group to maintain prudent leverage ratios while ensuring consistent cash flow from long-term leases to fund operations and future expansions.





6

Accountability, Transparency and Social Responsibility (Governance & ESG)

TECOM Group's commitment to sustainability is embodied in its ESG framework, which is structured around five key pillars: Economy, Community, People, Environment, and Governance & Risk.

This framework aligns with global standards like the UN SDGs and the UAE's Net Zero 2050 initiative, which was demonstrated by generating 14.2 GWh of clean energy in 2024 and achieving 43 LEED-certified buildings, covering 49% of the commercial portfolio's leasable area. Additionally, the governance framework fosters trust through transparency, with oversight by the Board and Audit and Risk committees.

Clean Energy Generated
14.2 GWh

LEED-Certified Buildings
43

Providing Opportunity for Business Success and Sustained Economic Growth

The UAE achieved robust economic growth in 2024, driven by diversification efforts and strong performance in non-oil sectors. Rising domestic demand and foreign investment have positioned the UAE as a global business hub.

Dubai GDP Growth 2025*
4.50%

Purchasing Manager's Index
55.5pts

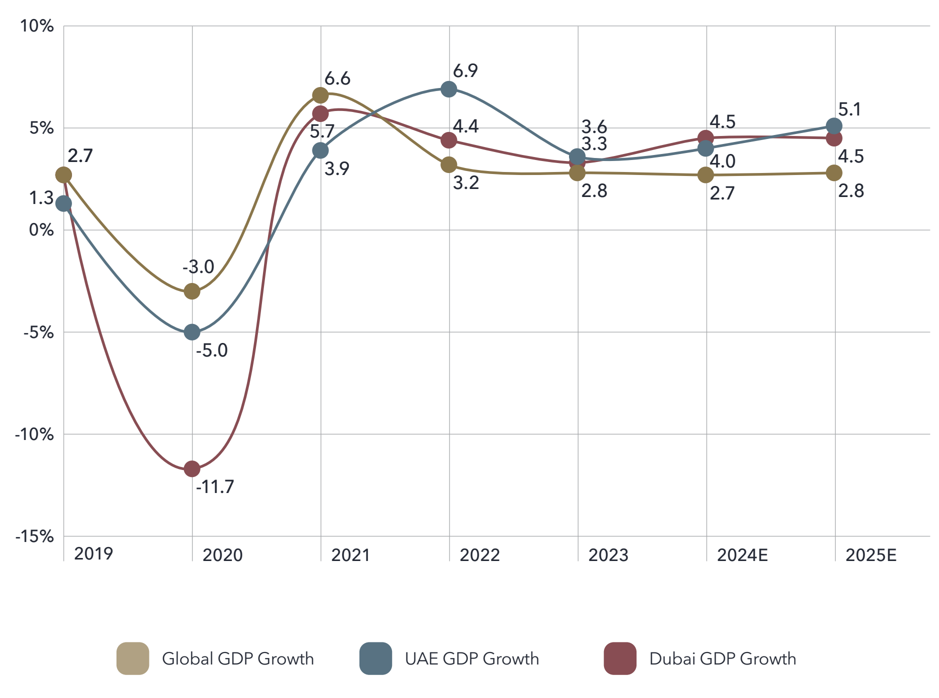
UAE GDP Growth 2025*
5.10%

Dubai Population
3.8M

Dubai Real GDP 2024
AED 448B

Dubai Real GDP 2024 Growth
4.50%

Real GDP Growth Rate (%)



Source: IMF.

* Forecast only

Dubai and the UAE

Dubai's GDP grew by 4.5% in 2024 and is projected to rise by 4.5% in 2025, up from 3.3% in 2023. This growth underscores Dubai's resilience and ability to surpass pre-pandemic levels. Key drivers include real estate, trade, and tourism, supported by the D33 Economic Agenda, which aims to double the economy over the next decade through innovation and foreign investment.

Dubai launched its largest-ever budget for 2025-27, totalling AED 272 billion, focusing on social services, health, education, culture, and infrastructure. These strategies align with business-friendly policies that underpin economic success.

As economic activity intensifies, demand for infrastructure, real estate, and commercial space is expected to rise, reflecting broader confidence in the UAE's long-term growth trajectory. With continued government support and a focus on innovation-driven sectors, the UAE can sustain its upward trajectory in 2025 and beyond.

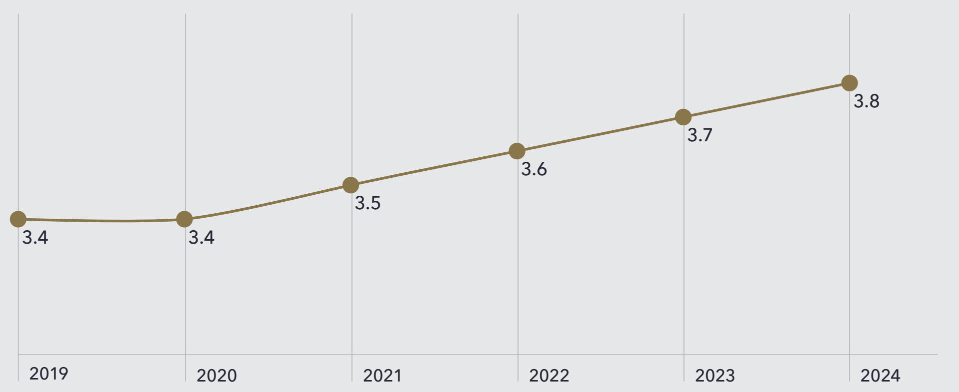
Dubai Government Budget 2025-27
AED 272B

High demand and limited new supply continue to increase rental rates and occupancy levels in the commercial office sector.[1]

In the 2025-2027 budget announcement, H.E. Abdulrahman Saleh Al Saleh, Director General of the Government of Dubai's Department of Finance (DOF), emphasised the Dubai government's commitment to financial sustainability and competitiveness, aligning with the Dubai Strategic Plan 2030 and Dubai Economic Agenda D33.[2]

1 CBRE Real Estate Market Analysis Q3 2024
2 Government of Dubai Department of Finance

Dubai Population (million)



Dubai and the UAE continued

Market Drivers

Government Policies

Reforms like long-term visas and 100% foreign ownership attract global talent and investment. The UAE's leadership in digital transformation in fintech, AI, and blockchain enhances its appeal as a hub for innovation.

Initiatives such as Comprehensive Economic Partnership Agreements (CEPA) and Operation 300 Billion boost manufacturing output while reducing import reliance.

Economic Diversification and Manufacturing

The UAE's focus on industrialisation has been a significant growth driver within the industrial real estate sector throughout 2024. The "Make it in Emirates" initiative aims to position the UAE as a global manufacturing hub by encouraging local production across key sectors such as pharmaceuticals, food processing, and chemicals. This shift towards local manufacturing has increased demand for industrial land and warehousing facilities.

Population Growth

In the first 11 months of 2024, Dubai welcomed a record 16.8 million international visitors, an 9% increase from the previous year. Additionally, Dubai's private higher education sector saw an 12% increase in enrolments, with international students making up one-third of the total. These trends highlight Dubai's appeal as a destination for global talent, reinforcing its economic resilience and growth.

As we look into 2025 and beyond, sustained economic growth and favourable market conditions will likely continue driving demand across commercial offices and industrial real estate segments.

Commercial Real Estate

Office Supply

Dubai's office market in 2024 continues to be characterised by a significant shortage of Grade A office space, which has been a key factor in sustaining high rental rates. The city's prime business districts, such as Dubai Internet City (DIC), are experiencing near-full occupancy, with limited new supply coming online. Developers are responding to this demand with several high-profile projects set to add approximately 5.2m sq. ft. from 2025 to 2027.

These developments aim to alleviate some of the pressure on the Grade A market. Still, demand is expected to remain high due to Dubai's growing reputation as a global business hub. However, the overall supply of Grade A office space remains constrained, creating a landlord-favoured market, with tenants facing increasing competition for available spaces. As a result, many businesses are exploring alternative solutions such as build-to-suit (BTS) projects and flexible office spaces to meet their needs.

Office Supply 2025-27

5.2M sq. ft.

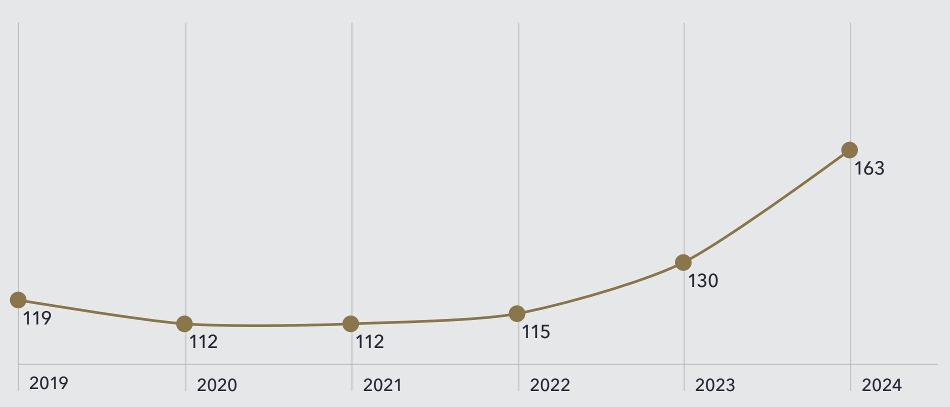
Dubai's commercial office sector thrives with high occupancy rates and rising rental rates due to limited new supply and strong demand.[3]

Office Demand

Demand for office space in Dubai remains robust in 2024, driven by the city's strategic location as a global business hub and its pro-business policies. Key sectors contributing to this demand include technology, financial services, and professional services. Total new office demand in H1 2024 increased significantly compared to the same period in 2023. This growth is largely attributed to an influx of international companies relocating or expanding their operations in Dubai.

Occupancy levels across prime Grade A buildings have remained high throughout 2024, with some districts reporting near full capacity and long wait lists, reflecting strong interest from businesses in creative industries and financial services. This sustained demand is expected to continue as more companies seek high-quality office spaces in well-connected locations.

Office Average Rental Rate (AED per sq.ft)



Dubai Internet City

3 CBRE Real Estate Market Analysis Q3 2024

Commercial Real Estate continued

Office Rental Rates

The constrained supply of Grade A office spaces has put upward pressure on rental rates across key business districts in Dubai. In 2024, rates for prime office spaces have significantly increased due to high demand and limited availability. In business districts like Dubai Internet City (DIC) and d3, rental rates have also seen steady growth throughout 2024. This trend is expected to persist despite new developments as businesses seek high-quality office spaces that align with their operational needs.

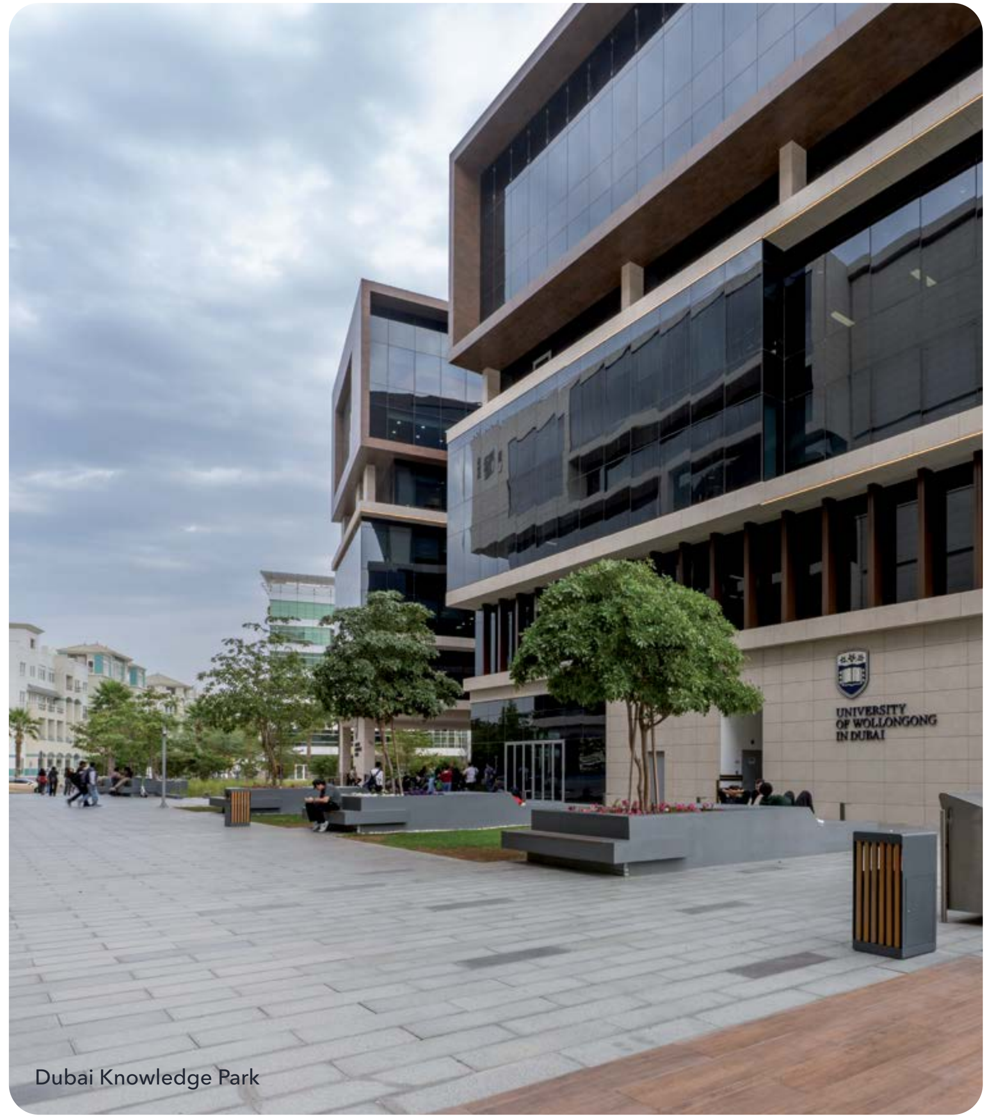
Occupancy rates for commercial properties in Dubai have increased to 91%, with limited new supply expected in 2024.

Occupancy

91%

What this Means for TECOM Group

Dubai's expanding population and tourism bolster its status as a global business, education, and leisure hub. With 17.15 million international visitors in 2023 and nearly 16.8 million tourists in 11 months of 2024, the city's appeal and economic resilience are evident. This growth translates into upward pressure on rental rates across key business districts, benefiting TECOM Group. By expanding its portfolio with developments like d3 Phase 2, Innovation Hub Phase 3 and enhancing its existing assets, the Group is well-positioned to meet the increasing demand for premium office spaces in strategically connected locations.



Dubai Knowledge Park

Industrial Markets

Dubai's industrial market has continued its upward trajectory in 2024, driven by strong demand for logistics and warehousing space. The UAE's strategic position as a global logistics hub, enhanced by infrastructure projects like Etihad Rail and Al Maktoum International Airport, has made it an attractive destination for companies looking to establish or expand their industrial operations. The rapid growth of e-commerce and the proximity to these connectivity hubs have significantly increased demand for industrial assets, particularly in Dubai Industrial City (DI).

Government initiatives such as "Operation 300 Billion" and "Make it in Emirates" have further fuelled this demand by promoting local manufacturing and industrial activities. These policies aim to boost domestic production capabilities while reducing reliance on imports, leading to increased occupancy levels across key industrial zones like DI.

Land Leasing

The surge in demand for land has resulted in a supply shortage in attractive, prime central locations in key industrial areas in Dubai. The supply-side shortage of land inventory in these locations – and the growth of industrial parks in secondary locations – is causing many companies to opt for non-central zones. The outlook for the land lease segment remains buoyant, with master developers looking to capitalise on the shortage of available land with higher lease rates and more stringent contracts. Dubai's Commercial and Logistics Land Transport Strategy 2030 aims to boost the sector's economic contribution from AED 8.5 billion to AED 16.8 billion.

This flexibility helps companies secure long-term leases and develop custom facilities. As central industrial areas face dwindling land availability, investors are increasingly turning to non-central zones with more favourable lease terms. Lease durations typically range from 1 to 45 years, with longer contracts being common.


Dubai Industrial City

What this means for TECOM Group

DI has a significant competitive advantage with its large land bank and breadth of plot sizes. It will continue capitalising on this, particularly as the city's industrial land supply becomes more limited. Land lease rates in central locations have continued to rise as options become increasingly scarce. Customers have started shifting towards non-central locations with better lease terms and plot options, which DI continues to benefit from, particularly given its competitive rates.

No. of Land Lease Transactions in 2024

+3,600

Industrial Markets continued

Warehousing

The warehousing sector in the UAE has seen remarkable growth in 2024, driven by strong demand from manufacturing, construction, and logistics. Enquiries for warehousing solutions surged by 185% from H1 2023 to H1 2024, reflecting heightened interest in industrial real estate. In response, 14 new warehousing facilities have been planned across the UAE.

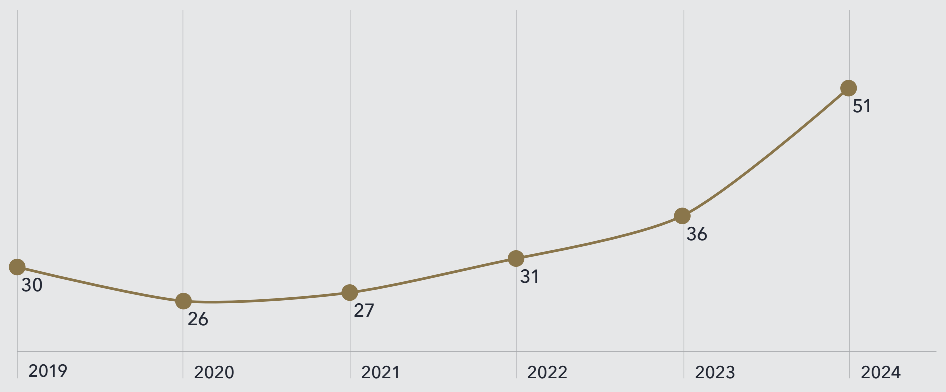
However, a persistent shortage of Grade A supply has forced some occupiers to consider alternatives such as build-to-suit solutions, self-development projects, or settling for lower-grade properties like Grade B or C spaces. This supply-demand imbalance has affected rental dynamics. Warehouse rental rates in Dubai rose by 42% between 2023 and 2024, while rental registrations in Dubai increased by 2.5% over the past year.

The UAE's industrial strategy is also crucial in shaping the sector's future. Dubai's Commercial and Logistics Land Transport Strategy 2030, launched by the Roads and Transport Authority, aims to boost the logistics sector's contribution to Dubai's economy from AED 8.5 billion to AED 16.8 billion by 2030. This initiative aligns with Dubai's vision to reinforce its position as a global logistics hub.

With limited available supply and high occupancy rates for quality warehousing, rental rates continue to increase, particularly across onshore locations in Dubai.[4]

TECOM Occupancy	Upcoming Projects in UAE	Market Occupancy
98%	14	98%

Warehouse Average Rental Rate (AED/sq.ft)



What this Means for TECOM Group

TECOM Group is uniquely positioned to capitalise on this trend through its strategically located assets in key industrial zones like DI. The rising rental rates for Grade A warehouses allow the Group to enhance revenues while addressing the needs of industries such as e-commerce and third-party logistics providers. TECOM Group can further solidify its role as a preferred partner for businesses seeking efficient logistics operations by offering tailored solutions like near-shoring facilities and scalable warehouse spaces.


Dubai Industrial City

4. CBRE Real Estate Market Analysis Q3 2024

Industrial Markets continued

Workers' Accommodation

The rapid growth of the transport, logistics, and e-commerce sectors in the UAE has increased the demand for worker accommodation, particularly in industrial zones like DI. With occupancy rates currently at 74.5%, this demand is driven by a growing workforce. Despite 18 projects being under construction – which are expected to raise occupancy to 80% by 2030 – landlords remain flexible on pricing, especially for large, established companies.

The UAE's commitment to enhancing worker accommodations is supported by initiatives that ensure high standards of comfort and safety, setting a global benchmark and attracting investment interest.

The workers' accommodations sector may hover around the optimal 80% occupancy rate by 2030. This stability indicates a consistent trajectory for the market driven by economic growth and industry expansion across various industries. These dynamics catalyse an increased need for a skilled workforce, leading to a consistent demand for worker accommodation.

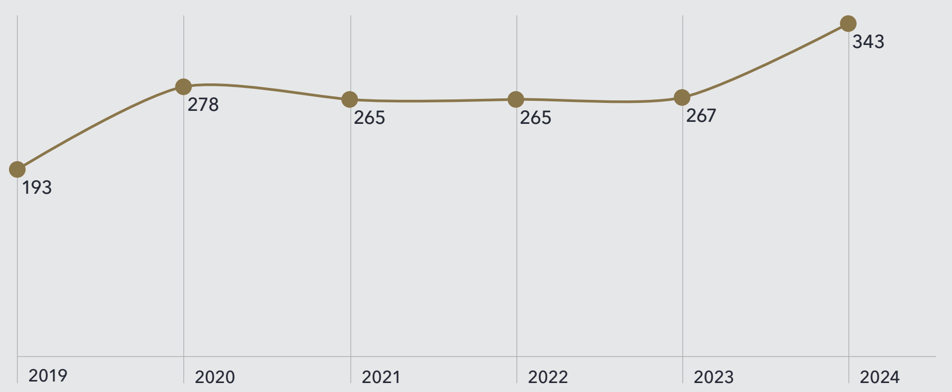
Landlords in the market are still flexible on pricing, especially for large requirements from well-established companies.[5]

TECOM's Worker Accommodation Occupancy
97%

Overall Market Occupancy in 2024
74.5%

Upcoming Projects in UAE
18

Worker Accommodation (monthly bed rate in AED)



What this means for TECOM Group

Occupancy rates at TECOM Group's worker accommodation reached 97% by the end of 2024. This growth is supported by government policies aimed at improving labour conditions and encouraging employers to invest in better housing solutions for their workers. Additionally, the continued development of infrastructure projects like Etihad Rail is expected to drive further demand for worker accommodation facilities near major industrial hubs.


Dubai Industrial City

5 CBRE Real Estate Market Analysis Q3 2024

TECOM Group's Vision for a Thriving Future

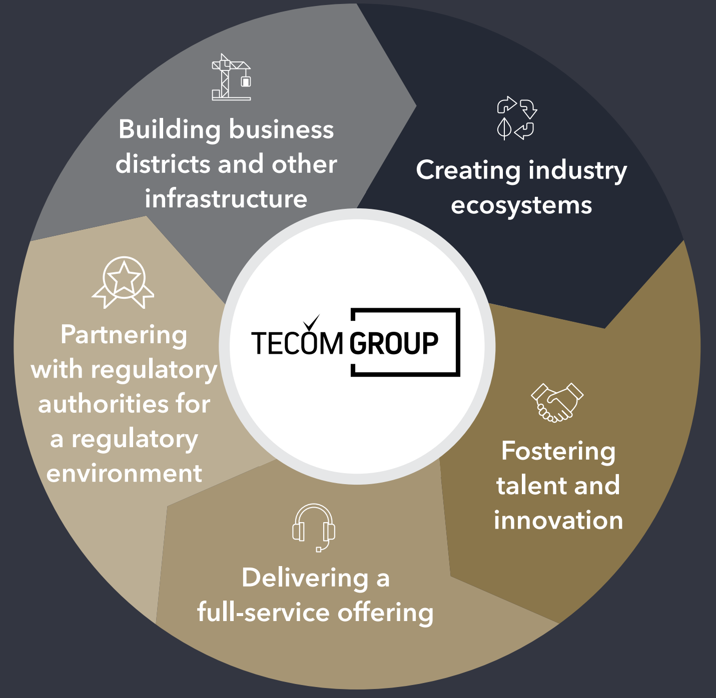
Empowering Growth Through Strength, Scale, and Strategic Resources

- Driving High-Growth Industries
- Strategically Positioned Assets
- Integrated Services and Solutions
- Customer-Centric Design

Enriching Value Chains

- Unlocking Opportunities Across Sectors
- Building a Thriving Talent Ecosystem
- Driving Sustainable Development

Our Value Chain



Strategic Pillars

- Optimise Core Business
- Develop Differentiated Value
- Build New Growth Sources

Value Creation for Stakeholders	Value Creation Metrics for 2024
Shareholders	Earnings Per Share (EPS) Growth 14%
Customers	Customer Satisfaction 87.1%
Partners	EPRA Net Tangible Assets (NTA) Growth 21%
Community	Return on Equity (ROE) 18.8%
Employees	Community Events Organised 4
	High-Performing Employee Retention 92%

TECOM Group designs dynamic, future-ready ecosystems that drive economic diversification and industry transformation. By leveraging our strengths, fostering innovation, and embedding sustainable practices, we deliver exceptional value to stakeholders while positioning ourselves as leaders in real estate and business districts.

Empowering Growth Through Strength, Scale, and Strategic Resources

Driving High-Growth Industries
We develop and manage sector-focused ecosystems that attract regional and global industry leaders. These hubs foster collaboration, innovation, and long-term growth.

Strategically Positioned Assets
Our business districts are strategically located to provide seamless access to key markets, international hubs, and supply chains – offering businesses an ideal environment for growth and creativity.

Integrated Services and Solutions
Our comprehensive services cater to businesses of all sizes – from start-ups to multinationals – simplifying operations so partners can focus on their core objectives.

Customer-Centric Design
We prioritise understanding our tenants' needs and crafting tailored solutions that promote growth, collaboration, and innovation while building strong, trust-based relationships.

Enriching Value Chains

Unlocking Opportunities Across Sectors
We enable industries to integrate seamlessly into Dubai's economy by offering essential infrastructure, sector expertise, and strategic resources that lower barriers to growth.

Building a Thriving Talent Ecosystem
Our districts attract top talent by fostering innovation, collaboration, and a high-quality lifestyle – empowering businesses to access the skills they need while contributing to Dubai's economic ecosystem.

Driving Sustainable Development
Sustainability is central to our operations. By embedding ESG principles across all levels of our business, we address global challenges like climate change and resource efficiency while delivering long-term value.

Strategic Pillars

→ Read more on page 44

Optimise Core Business
We enhance asset performance through strategic investments, operational excellence, and customer-focused innovations.

Develop Differentiated Value
By integrating advanced technologies and fostering partnerships, we create ecosystems tailored to evolving market needs.

Build New Growth Sources
We invest in future-focused industries and strategic partnerships aligned with our mission to foster economic diversification.

Value Creation for Stakeholders

Our business model ensures that every stakeholder benefits from TECOM's success:

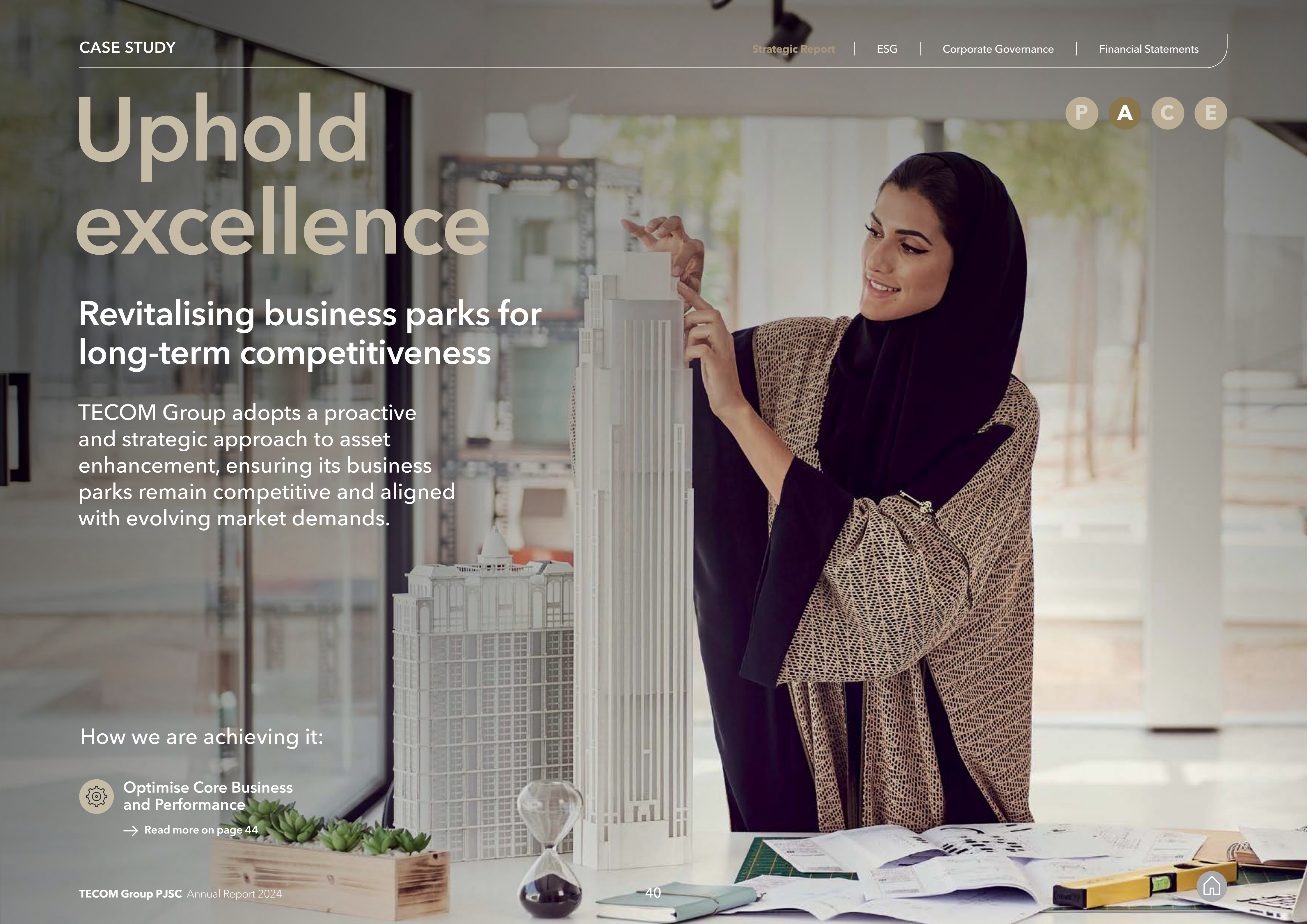
Shareholders
Sustainable financial growth through a diversified portfolio of high-performing assets.

Customers
Infrastructure and ecosystems designed for growth and success in competitive markets.

Partners
Strategic collaborations with government entities and private stakeholders aligned with national priorities.

Community
Vibrant ecosystems promoting entrepreneurship, social development, and environmental protection.

Employees
A culture of inclusion, diversity, and professional development that empowers our workforce to excel.



P A C E

Uphold excellence

Revitalising business parks for long-term competitiveness

TECOM Group adopts a proactive and strategic approach to asset enhancement, ensuring its business parks remain competitive and aligned with evolving market demands.

How we are achieving it:

Optimise Core Business and Performance

→ Read more on page 44

In response to increasing demand for Grade A assets, particularly from businesses emphasising ESG (Environmental, Social, and Governance) standards, TECOM has carried out an extensive retrofitting programme underpinned by the integration of sustainable technologies and LEED certifications.

Innovative Solution: Turning Challenges into Opportunities

Recognising the situation as an opportunity for innovation, TECOM adopted a bold strategy by vacating one building entirely to repurpose it for a high-value tenant. This approach led to a long-term lease agreement with one of Dubai's premier universities for Building 12. The university required tailored customisations to meet its specific needs, prompting the strategic relocation of existing tenants to other buildings within TECOM's portfolio. This manoeuvre improved occupancy across different properties and invigorated the community dynamics within DIC.

Transforming our Assets

The structured approach to asset optimisation at TECOM Group focuses on continuous upgrades and renovations, delivering key benefits such as:

Improved Tenant Satisfaction	Enhanced Property Value	Operational Efficiency	Extended Asset Lifespan	Competitive Advantage
Enhances occupancy rates and reduces tenant turnover.	Boosts property valuation and elevates leasing rates.	Reduces utility consumption and operational expenses.	Minimises maintenance frequency and costs.	Attracts high-quality tenants, ensuring stable revenue streams.

Outcome

The refurbishment initiatives yielded significant results:

- Overall occupancy across buildings 10-14 rose above 80%, with Building 12 achieving full occupancy through their prestigious tenants.
- The upgrades are projected to increase occupancy rates to over 90% further, aligning lease rates with contemporary market standards.
- The façade enhancements significantly improved the area's aesthetic appeal, reinforcing DIC's reputation as a premier destination for technology firms.

Case Study:

Revitalisation of Dubai Internet City Assets

Dubai Internet City is a leading technology hub known for attracting global industry leaders due to its strategic location and premium infrastructure. However, in 2021, occupancy rates in buildings 10-14 dropped significantly as anchor tenants relocated or exited due to ageing facilities. Tenant feedback highlighted the need for urgent upgrades in shared spaces such as lobbies, toilets, elevators, and overall aesthetics.

TECOM Group implemented a comprehensive refurbishment strategy targeting the affected buildings to address these challenges. Key initiatives included:

- **Façade Renovation:** Modernising the exterior to reflect contemporary architectural trends.
- **Shared Facility Upgrades:** Enhancing common areas to meet evolving client expectations.

P A C E

Nurture win-win relationships

Collaboration and Partnership: Fuelling Dubai's Industrial Evolution

Dubai Industrial City (DI), a key business district within TECOM Group, has been at the forefront of the UAE's industrial transformation for over two decades.

As a cornerstone of Dubai's industrial ecosystem, DI has leveraged strategic partnerships to drive innovation, sustainability, and economic growth. These collaborations have not only strengthened the UAE's standing as a global manufacturing hub but also aligned with national initiatives such as Operation 300bn, Make it in the Emirates, and the Dubai Economic Agenda 'D33'.

Active strategic partnerships

10+

Growth in managed industrial land leases

+35%

over last 4 years

How we are achieving it:

Partnering with regulatory authorities for a regulatory environment

→ Read more on page 38

20 years of pioneering industrial excellence

Collaboration is the foundation of industrial progress – together, we can achieve far more than we can alone.

Building an Ecosystem of Excellence

Central to DI's success is its commitment to fostering public-private partnerships. Collaborations with entities like the Ministry of Industry and Advanced Technology (MoIAT), Emirates Development Bank (EDB), and Siemens have created a solid foundation for industrial growth. These partnerships provide DI's customers with access to cutting-edge technologies, financial support, and sustainable practices.

Our thriving industrial ecosystem, built on collaboration and strategic partnerships, drives growth as a single-window gateway for sustainable development.

Driving Innovation Through Strategic Collaborations

DI's partnership with Siemens exemplifies its focus on innovation. The Memorandum of Understanding (MoU) signed in 2024 enables DI customers to benefit from Siemens' Industrial Technology Transformation Index (ITTI) Assessments. These assessments provide valuable insights into digitalisation, sustainability, and operational efficiencies, assisting manufacturers in adopting Industry 4.0 technologies.

The collaboration also includes access to Siemens' Green Lean Digital Factory Roadmaps and training programmes aimed at enhancing workforce capabilities. This initiative emphasises DI's role in equipping businesses with the necessary tools to remain competitive in a rapidly evolving industrial landscape.

Advancing Sustainability Goals

Sustainability is a core pillar of DI's vision. Its partnership with the Ministry of Climate Change and Environment (MOCCAE) emphasises decarbonisation within industrial operations. Initiatives such as tree-planting campaigns and the adoption of renewable energy have positioned DI as a leader in sustainable industrial development.

Growth and green solutions go hand in hand – building an industrial future that is both profitable and positive for our planet.

Empowering Economic Growth

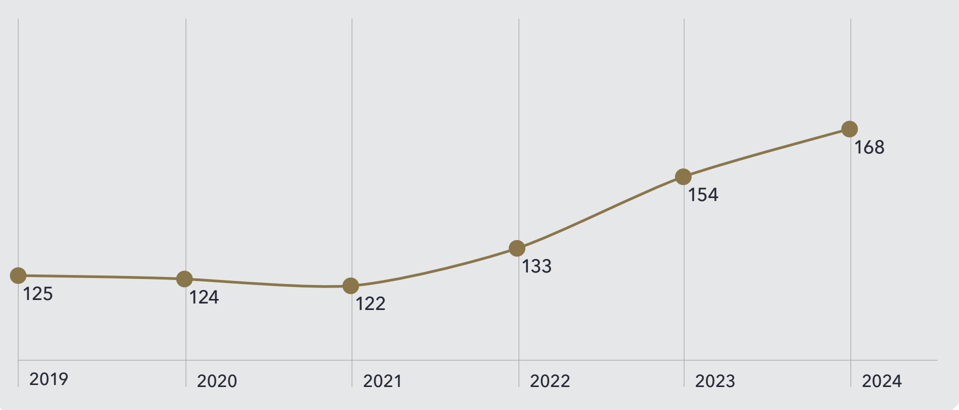
DI plays a pivotal role in supporting the UAE's economic diversification agenda by attracting investments and fostering entrepreneurship. The Emirates Development Bank (EDB) has committed AED 1 billion to support emerging industrial companies within DI, providing crucial financial backing for startups and SMEs.

Additionally, partnerships with MoIAT promote initiatives like Make it in the Emirates, encouraging local production and export-oriented manufacturing. Through these collaborations, DI aims to significantly enhance the industrial sector's GDP contribution to AED 300 billion by 2031.

Our Industrial Future

Dubai Industrial City stands as a testament to the power of collaboration in driving industrial excellence. Its strategic partnerships have not only bolstered Dubai's reputation as a global manufacturing hub but also created a sustainable framework for long-term economic growth. By fostering innovation, promoting sustainability, and empowering businesses, DI continues to shape the future of industry in the UAE – proving that collaboration is indeed the key to unlocking limitless possibilities.

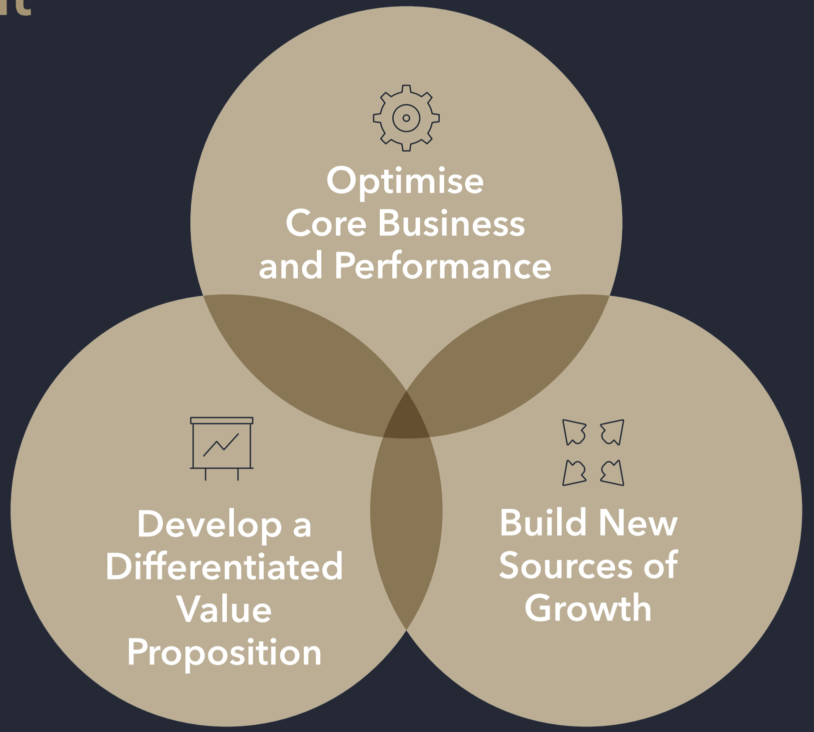
Growth in leased land area (million sq.ft)



We Create Leading Ecosystems that Drive Innovation and Success

"Our strategy is focused on delivering an unmatched customer experience and fostering vibrant, thriving communities. By launching innovative products and expanding through strategic acquisitions, we achieved exceptional occupancy and industry-leading retention and strengthened our market leadership – establishing a robust foundation for sustained growth."

Haif Zamzam
SVP Strategy & Marketing



Optimise Core Business and Performance

At TECOM Group, optimising core business and performance is key to long-term growth and operational excellence. We focus on strengthening customer relationships by delivering tailored solutions that meet evolving needs and fostering lasting partnerships. In parallel, we prioritise prudent cost, cash flow, and capital management to ensure financial stability and maximise asset value, driving profitability and maintaining leadership across sectors.

Develop a Differentiated Value Proposition

We aim to deliver long-term value by offering best-in-class infrastructure, flexible solutions, and exceptional customer service across a range of industries. Our Grade A spaces, built-to-suit facilities, and integrated ecosystems optimise operational efficiency and support business growth. We continuously assess and enhance our assets to ensure maximum performance and value while leveraging synergies across the TECOM Group ecosystem. This holistic approach positions us as the preferred partner for businesses, fostering innovation and driving success.

Build New Sources of Growth

TECOM Group is focused on identifying and unlocking new sources of growth across both industrial and commercial real estate sectors. We are actively pursuing opportunities in high-growth industry segments, such as technology, advanced manufacturing, and sustainable industries, to diversify and expand our portfolio. By targeting emerging markets and evolving customer needs, we are ensuring that our real estate offerings remain relevant and competitive in a dynamic market.

Objectives

- Retain and strengthen relationships with customers
- Focus on prudent cost, cashflow and capital management
- Deliver ongoing commercial built-to-suit (BTS) and infrastructure programme
- Review and refine pricing to align with market conditions

2025 and Beyond

TECOM Group's future strategy focuses on operational excellence and financial resilience to ensure sustainable growth. We will deepen customer engagement, offer tailored solutions, and adapt pricing to market dynamics. We are committed to ongoing investments in asset enhancements and upgrades to meet evolving customer needs. In 2024, the Group has invested CAPEX of AED 2.7 billion in strategic projects to support these initiatives. By prioritising cost management and expanding BTS and infrastructure programs, we aim to solidify our position as a market leader.

2024 Accomplishments

94% Occupancy

92% Retention

12% EBITDA Growth

AED 210M Invested in Asset Enhancement

Objectives

- Deliver a compelling value proposition
- Deliver best-in-class customer experiences
- Identify improvements across the Group-wide portfolio of assets
- Maximise synergies across the TECOM Group ecosystem

2025 and Beyond

TECOM Group will enhance its value proposition by prioritising customer satisfaction through product improvements, process enhancements, and proactive support, including facilitating regulatory and government interactions. We will strengthen community engagement by fostering collaboration through events and activations, unlocking synergies across the group. Sustainability remains integral, with a focus on eco-friendly practices and expanding LEED-certified buildings to drive responsible growth.

2024 Accomplishments

+8% Number of Customers

+11% Number of Workforce

+39% Increase in LEED Certified Buildings

Hosted Leading Industry Events
Dubai Fashion Week, Dubai Design Week, Advance Health, and launched the first edition of Design Next

Objectives

- Drive new opportunities in high-growth industry segments
- Develop new product offerings in emerging office asset classes
- Expand and challenge existing commercial business models
- Support the development of Dubai's economy and strategic sectors

2025 and Beyond

TECOM Group will focus on embedding recent acquisitions while continuing to explore new opportunities to meet and prudently anticipate future demand. By integrating newly acquired assets and targeting high-growth sectors such as industrial and advanced industries, TECOM Group aims to strengthen its portfolio and align with evolving market needs. This strategic approach ensures the Group remains agile, competitive, and well-positioned to support Dubai's economic growth and diversification.

2024 Accomplishments

AED 1.1B Office Acquisitions +705,000 sq. ft.

AED 1.2B New Developments +796,000 sq. ft.

AED 0.4B Land Acquisitions +13.9 million sq. ft.
Total land leasing portfolio reached 177 million sq. ft.

Uniting Integrated Communities for Shared Success

Our Business Segments

Commercial

51%
Typical Lease term 1-5 Years

- Office
- Retail

Industrial

15%
Typical Lease term 1-5 Years

- Warehouses
- Worker Accommodation

Land

22%
Typical Lease term 30-50 Years

- Land Leasing

Services & Others

12%

- axs
- Others

94% occupancy across all business segments.

TECOM Group's consistently high occupancy rates, averaging 94% across all business segments in 2024, underscore the strong demand for its integrated business districts. With flagship districts like Dubai Design District (d3) achieving 99% occupancy, this success reflects the Group's ability to provide tailored infrastructure and services that meet evolving business needs.

These robust occupancy levels not only highlight customer trust but also reinforce TECOM's leadership in Dubai's dynamic commercial real estate market.

Additionally, the Group's robust financial performance in 2024 is a testament to the synergy within its diverse business segments, highlighting a commitment to fostering interconnected ecosystems. By prioritising diversification and strategic management, TECOM Group continues to position Dubai as a catalyst for shared success and sustained growth.

Commercial

Revenue AED 1,218M	YOY Revenue Growth 8%
EBITDA AED 805M	Occupancy 90%

Industrial

Revenue AED 357M	YOY Revenue Growth 17%
EBITDA AED 244M	Occupancy 98%

Land

Revenue AED 532M	YOY Revenue Growth 6%
EBITDA AED 577M	Occupancy 95%

Services & Others

Revenue AED 295M	YOY Revenue Growth 23%
EBITDA AED 229M	Corporate & Government Services +200

Commercial Leasing

Elevating Office Spaces Through Innovative Ecosystems

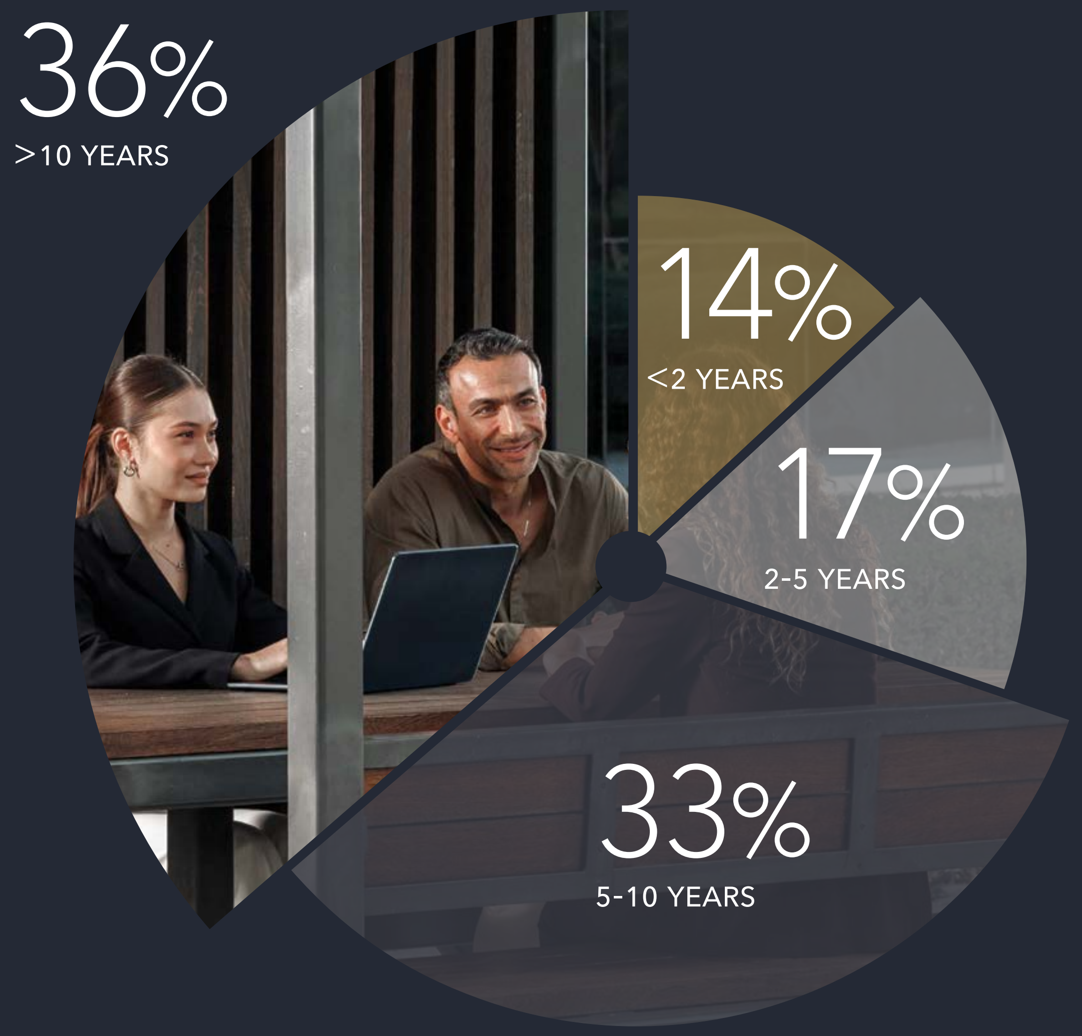
"Commercial Leasing continues to be a cornerstone of TECOM Group's growth and success in 2024. As the owner of one of the largest commercial real estate portfolios in Dubai, our achievements are closely tied to the Emirate's transformation into a global hub for innovation and business excellence.

Ammar Al Malik
Executive Vice-President
Commercial Leasing

In 2024, we expanded our portfolio with strategic acquisitions and developments, reinforcing our leadership in the commercial real estate market. By offering cutting-edge spaces that foster creativity, collaboration, and innovation, we continue to attract leading global organisations that contribute to Dubai's knowledge-based economy and long-term economic vitality."

TECOM Group's commercial leasing segment experienced robust growth in 2024 across all business districts. The strategy has succeeded in enriching communities across the Group's ecosystem, providing access to world-class incubators, innovation hubs, research and development centres, business services and digital platforms. This approach has supported multinationals, startups, entrepreneurs, and freelancers throughout 2024, as is reflected in the Group's financial performance and tenant retention rates.

Customer Loyalty (in years)



Financial Performance Overview

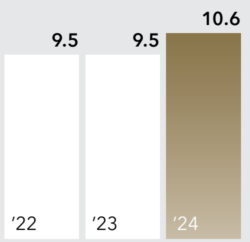
TECOM Group's Commercial Leasing segment delivered strong financial results in 2024, building on the momentum from the previous year. Revenue for the segment saw an 8% increase, driven by higher occupancy rates across key business districts and favourable rental adjustments.

The addition of 871,549 square feet of new leases at competitive leasing rates further contributed to revenue growth, reinforcing the Group's financial position. The competitive rental rates currently seen in the market were further supported by the sustained demand for Grade A office spaces and specialised facilities across TECOM's portfolio.

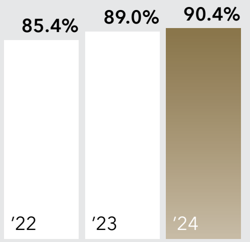
EBITDA for Commercial Leasing in 2024 reached AED 805 million – an 5.6% improvement compared to the previous year. EBITDA margins for Commercial Leasing stood at 66% by year-end. Commercial occupancy rates also remained steady throughout the year.

Highlights

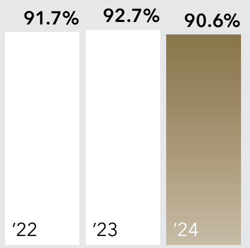
Gross Leasable Area (million sq. ft.)
10.6M



Occupancy
90%



Retention
91%



Commercial Buildings
153

WALT
2.5 years

Annual Passing Rent (AED)
1,310M

Estimated Rental Value (AED)
1,400M

Valuation (AED)
15.3B
26% growth

Our Locations

1. Dubai Internet City
2. Dubai Media City
3. Dubai Knowledge Park
4. Dubai Design District
5. Dubai Science Park
6. Dubai Studio City
7. Dubai Production City
8. Dubai International Academic City
9. Dubai Outsource City
10. Dubai Industrial City

Six Vital Knowledge-based Economic Sectors

- Manufacturing
- Technology
- Media
- Education
- Science
- Design

Key Commercial Leasing Milestones

DUBAI INTERNET CITY

Technology

Dubai Internet City (DIC), celebrating its 25th anniversary in 2024, remains the region's leading technology district.

The completion of Phase Two of the Innovation Hub and the acquisition of three Grade A commercial buildings for AED 1.1 billion added significant office space.

Dubai Internet City (DIC) is fundamental to TECOM Group's success in driving entrepreneurship and innovation. It continues to be a powerful catalyst for the evolution of next-generation technologies, fostering an environment where startups and innovation centres can thrive.

Acquisition (AED)

1.1B

DUBAI DESIGN DISTRICT

Design

At Dubai Design District (d3) occupancy rates neared full capacity in 2024, with brands such as LVMH and Kering helping to attract new tenants.

The district co-hosted Dubai Fashion Week, enhancing its global status. To meet growing demand, TECOM Group announced Phase 2 of d3's development, which includes six new Grade-A office buildings.

Additionally, Dubai Design District (d3) and Isola Design Group launched a forward-thinking exhibition focusing on the circular economy. Titled Design Next, the new exhibition is the first joint initiative between d3 and the innovative Isola Design Group, expanding Dubai Design Week's 10th-anniversary programming with a glimpse into the future of sustainable design thinking.

LVMH

L'ÉCOLE School of Jewelry Arts

KERING

DUBAI FASHION WEEK

DUBAI MEDIA CITY

Media

Dubai Media City (DMC) continued to be the region's leading media hub in 2024.

A key highlight was DMC's collaboration with La Liga and the UAE Ministry of Economy to protect digital intellectual property. DMC also hosted the Global Media Congress, which connected key industry players. The need for boutique office spaces has continued to increase as media professionals sought flexible environments with cutting-edge infrastructure.

Dubai Media City

DUBAI SCIENCE PARK

Science

Dubai Science Park

Dubai Science Park (DSP) is rapidly expanding its science district with cutting-edge R&D centres powered by global leaders like Himalaya, Firmenich, and Jotun, driving the UAE's vision to advance data-driven healthcare and wellness sectors.

Committed to fostering a dynamic ecosystem for smart healthcare, DSP strengthened its focus on R&D excellence in 2024 through enhanced infrastructure and services. To meet the growing demand for Grade A R&D facilities, DSP is on track to complete the expansion of its storage and logistics capacity by 200,000 square feet by Q1 2025, further supporting professionals and companies in life sciences, energy, and environmental fields. Additionally, TECOM Group extended its D/Quarters co-working spaces within DSP, addressing the rising need for flexible and collaborative work environments that fuel innovation and scientific progress across the region.

Key Commercial Leasing Milestones continued

DUBAI KNOWLEDGE PARK

DUBAI INTERNATIONAL ACADEMIC CITY

Education

The Group's Education Cluster, which includes Dubai Knowledge Park (DKP) and Dubai International Academic City (DIAC), continued to reinforce its position as an education hub in 2024.

In the year of its 20th anniversary, DKP achieved a significant milestone by attracting an unprecedented number of international students, marking a notable increase in its global appeal. The 2023-24 academic year saw a 43% growth in the number of students from Europe, underscoring DKP's success in becoming a preferred destination for higher education among European learners.

Additionally, institutions such as the University of Birmingham and Middlesex University spearheaded programs in green hydrogen technology and fintech, while DIAC has attracted prestigious universities from France, Germany, and Australia. DKP has also enhanced its role as a centre for vocational excellence, hosting leaders like Le Wagon Coding School. Supporting a diverse community of over 33,500 learners from 170 countries, the sector has continued to foster opportunities for internships and research, bridging academia and industry.

Growth in European Students at Dubai Knowledge Park

43%

Incubation Centres

The Group's incubation centres, led by in5, achieved significant milestones in 2024, reinforcing their role in driving entrepreneurship and innovation.

By the close of 2024, start-ups incubated within in5 surpassed AED 7.8 billion in total funding since its inception, reflecting a remarkable 163% growth over the previous year. This achievement underscores Dubai's supportive pro-innovation framework and TECOM Group's commitment to fostering entrepreneurial excellence. In5 has now supported over 1,000 start-ups across the technology, media, design, and science sectors, offering access to mentorship, advisory services, and funding networks.

In5 Science celebrated its first anniversary in June 2024, providing a platform for over 35 future-focused science start-ups in collaboration with Dubai Science Park. Additionally, in5 Media recorded an 5% growth in active start-ups during 2024, driven by initiatives to bolster the creative economy. These accomplishments highlight TECOM Group's strategy to empower innovators and align with Dubai's Economic Agenda 'D33,' solidifying its position as a global hub for innovation and entrepreneurship.

New Partners

The Group's dedication to nurturing a multi-faceted and highly-targeted industry ecosystem has been further underscored by new strategic agreements with international partners in 2024.

These included South Korea's National IT Industry Promotion Agency (NIPA), which launched the Korea IT Cooperation Centre UAE (KICC UAE) in Dubai Internet City. NIPA's centre now acts as a gateway that connects Korean entrepreneurs with their UAE counterparts – further leveraging Dubai's strategic location and unique DIC ecosystem.

Other notable new entrants to the Commercial Leasing business include Kodak while existing tenants such as Salesforce, TikTok, and Amazon have expanded their presence. These developments reflect the Group's commitment to enhancing its technological and creative capabilities and fostering a diverse and dynamic business environment. By improving community development initiatives and supporting the startup ecosystem, the Group is poised to sustain its leadership position in commercial leasing.

salesforce Kodak nipa

Korea IT Cooperation Center amazon TikTok

Dubai Internet City

The Next Chapter

Commercial Leasing will continue to drive growth through the enhancement and monetisation of existing assets, supported by new developments.

Strong demand in key sectors such as technology, media, design, science and education will sustain the group's ability to expand its operations while delivering shareholder value.

Furthermore, TECOM Group will maintain its focus on expanding its portfolio through strategic acquisitions while enhancing its existing assets to adapt to evolving tenant needs – with a strong emphasis on sustainability and community development. The Group's operations will also be buoyed by the dynamics of a strong economy, rising population and economic diversification in Dubai, leaving it well-positioned to maintain its leadership in Dubai's commercial real estate sector.

Industrial and Land Leasing

Transforming Dubai's industrial landscape

"This has been a standout year for TECOM Group's industrial business, driven by significant growth across land leasing, worker accommodation, and warehousing. With occupancy rates in industrial assets reaching 98%, the segment has benefited from strong demand for long-term leases, alongside the addition of 13.9 million square feet of land to the leasing portfolio.

Saud Alshawareb
Executive Vice-President
Industrial Leasing

Customer Loyalty (in years)

2024 has delivered a performance that has further reinforced TECOM's position as the region's leading hub for manufacturing and logistics."

Market Alignment

Dubai's industrial and land leasing market has experienced remarkable growth in 2024, with TECOM Group playing a pivotal role in shaping the sector. As a key contributor to Dubai's industrial ecosystem, Dubai Industrial City (DI) has fostered partnerships with government and private entities, including collaborations with Siemens and DEWA to enhance infrastructure and innovation. These initiatives align with Dubai's D33 Agenda and Operation 300Bn, driving economic diversification and industrial growth.

As TECOM Group's industrial assets expanded in 2024, it demonstrated its critical leadership position in the UAE's industrial and logistics markets. By focusing on strategic acquisitions, customer-driven solutions, and cutting-edge infrastructure, the Group will continue to shape the future of industrial real estate in Dubai.

The Group has also worked to strengthen and enrich its relationships with key stakeholders in 2024, notably the government and private sector participants. These relationships contribute to the Group's ability to meet a growing economy's immediate and near-term demands. DI will remain the premier choice for companies looking to expand or establish a regional presence within this leadership context, solidifying its position as a leading industrial and logistics hub in the UAE and globally.

Financial Performance

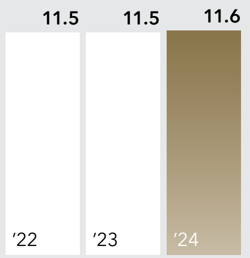
The Industrial and Land Leasing segment strongly supported TECOM Group's 2024 financial results.

The segment's positive financial performance has been driven by robust demand for industrial spaces and strategic operational efficiencies. Revenue for the segment reached AED 889 million in 2024, up from AED 806 million in 2023, contributing 37% to the Group's total revenue. High occupancy rates, particularly in warehouses and worker accommodations, supported this growth, which reached 98% and 97%, respectively.

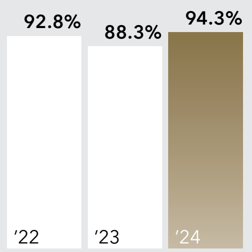
TECOM Group's Industrial and Land Leasing segment maintained a strong EBITDA margin of 92%, reflecting effective cost management and consistent rent escalations. Client retention improved by 6%, underscoring the Group's focus on fostering long-term relationships through tailored leasing solutions and proactive customer engagement.

Highlights

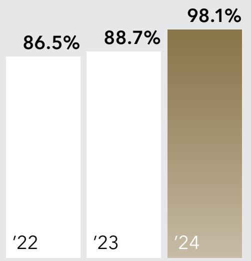
Gross Leasable Area (million sq. ft.)
11.6



Retention
94%



Occupancy
98%



Warehouses
1,140

Estimated Rental Value (AED)
368M

Operational Factories in Dubai Industrial City
+350

Annual Passing Rent (AED)
391M

Valuation (AED)
3.3B

Valuation Growth
14%

Leasing Performance

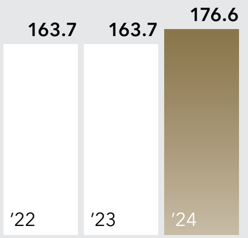
The Industrial Leasing segment achieved record performance in 2024 and an impressive year-end average occupancy rate of 98% across all industrial leasing spaces, including warehouses and worker accommodations.

This high occupancy rate underscores the robust demand for industrial space within TECOM Group's portfolio.

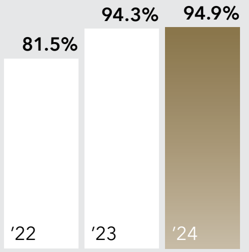
Strong customer support and retention efforts contributed to over 94% lease renewals across our industrial properties, further strengthening long-term relationships with key partners. With most of our leases secured through long-term agreements, TECOM effectively mitigates risk, maintaining stability even in fluctuating market conditions. Additionally, our network of business partners in Industrial Leasing expanded to over 1,100, up from 1,000 the previous year, highlighting the growing demand for our offerings. The number of operational factories within our land leasing portfolio also grew from 306 at the end of 2023 to over 350 by the close of 2024, with further expansion anticipated in 2025.

Highlights

Gross Leasable Area (million sq. ft.)
177



Occupancy
95%



No. of Plots
846

Estimated Rental Value (AED)
625M

WALT
32.4 years

Annual Passing Rent (AED)
535M

Valuation (AED)
9.4B

Valuation Growth
19%

Portfolio Expansion

In 2024, TECOM Group made significant strides in expanding its land leasing portfolio.

The Group added 13.9 million square feet of new industrial land inventory in DI, strategically located near key logistics hubs such as Jebel Ali Port and Dubai World Central.

By year-end 2024, 80% of this new inventory had already been leased under long-term contracts, reflecting strong demand from local and international manufacturers. This expansion brings TECOM's total managed land leasing portfolio to 177 million square feet, attracting interest from high-demand sectors such as manufacturing, logistics, food and beverage packaging, and pharmaceuticals. It reinforces TECOM's position as a leading player in Dubai's industrial real estate market during a year when DI celebrated its 20th anniversary.

Square feet of land acquired for Dubai Industrial City

13.9M

Environmental, Social, and Governance (ESG)

TECOM Group is committed to supporting the decarbonisation of the industrial sector.

In 2024, DUBATT was inaugurated as the UAE's first battery recycling facility, contributing to the circular economy by generating leads for new battery manufacturing. Additionally, Enviroserve continues to reduce carbon emissions while contributing to GDP growth through efficient circular economy practices. Worker welfare remains a priority, with award-winning accommodations offering holistic living environments.

Dubai Industrial City

Innovation for the 4th Industrial Revolution

TECOM Group continued to support Dubai's evolution as an 'Advanced 4th Industrial Revolution Lighthouse' in 2024.

Unilever's automated facilities bolstered the city's cutting-edge AI and robotics capabilities, and a new Siemens partnership has furthered the Group's commitment to industrial innovation, unleashing Siemens' expertise in digital twins, AI, and edge computing. The advancement of these next-generation technologies will further accelerate digital transformation and improve operational efficiencies across multiple industry sectors, reinforcing DI's position as a hub for industrial technology.

Future Outlook

As TECOM Group looks toward 2025 and beyond, it focuses on capitalising on the strong market demand for its Industrial and Land Leasing portfolio.

The Group will expand its portfolio to meet the needs of a growing industrial sector, with an anticipated total of 380-400 operational factories across its industrial zones in 2025.

The industrial segment is also poised for continued expansion. The Group anticipates that investors will begin construction on over 19 million square feet of leased land, addressing general and specialised industrial requirements. Furthermore, plans are in place to acquire additional plots in DI, reflecting a proactive strategy to expand the industrial warehousing segment and ensuring it remains well-positioned to meet future industry demands.

TECOM Group will also seek to diversify its offerings further, focusing on accommodating a wide range of industrial requirements, including catering to build-to-suit clients who need customised, specialised facilities. Additionally, the Group will strengthen its partnerships with the government and with private stakeholders to enhance its service offerings and strengthen the overall business environment within the Group's industrial zones.

Dubai Industrial City

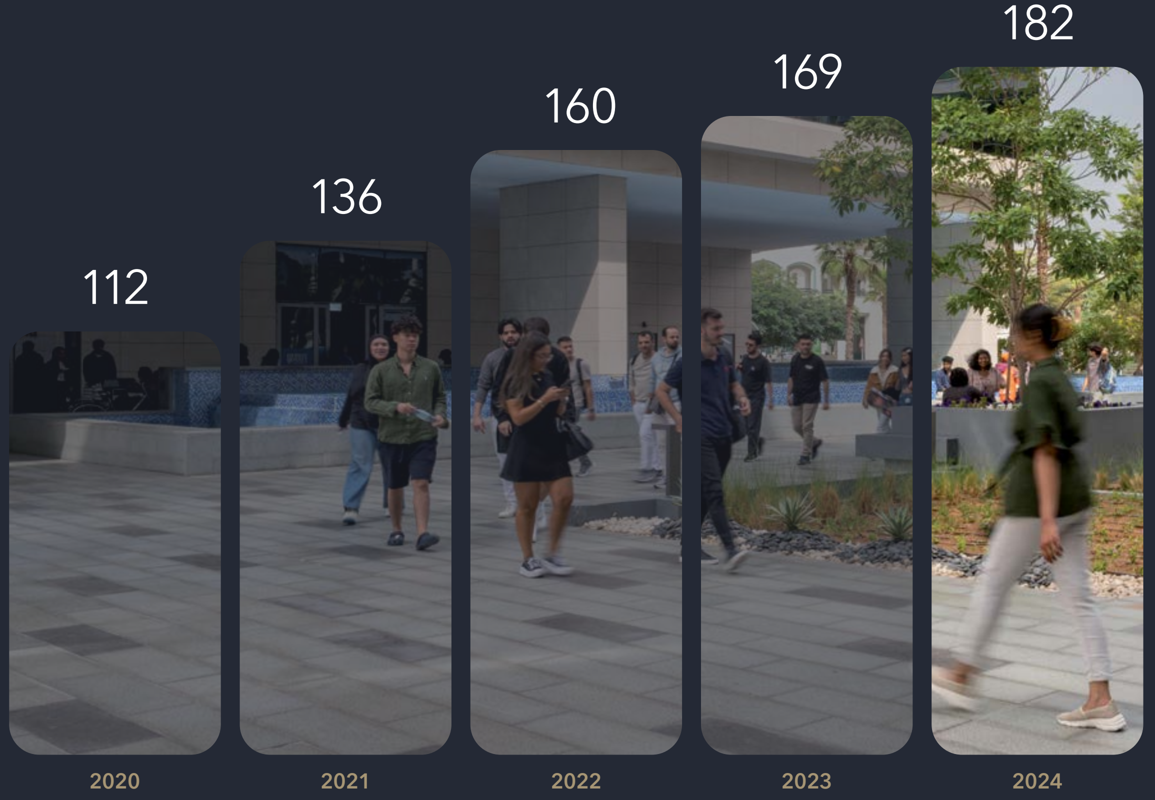
Business Services

Enabling Services for Business Success

"The Business Services segment is a fundamental enabler of success across TECOM Group's entire ecosystem of business districts. By integrating the digital capabilities of our axs platform with new strategic partnerships and tailored support services, we have equipped businesses with essential tools needed to grow and thrive in Dubai's dynamic economy.

Ahmad Al Mheiri
Senior Vice President
Business Services

Number of Transactions



Our unwavering commitment to excellence empowers us to continuously innovate and refine our services, ensuring businesses of all sizes can operate seamlessly and achieve their goals."

In 2024, TECOM Group's Business Services supported over 11,900 customers and 137,000 professionals, enabling them to operate effectively within its thriving ecosystems by providing access to over 200 digital services. These comprehensive offerings have significantly elevated customer satisfaction by streamlining operations, simplifying processes, and fostering a seamless experience that enhances ease of doing business.

The axs platform underwent a series of transformative enhancements, further cementing its position as a comprehensive, one-stop solution for all business-related services within TECOM Group's ecosystem.

These advancements were designed to streamline operations and elevate the user experience, reflecting the Group's commitment to innovation and customer-centricity. Among the key upgrades was the introduction of e-signatures for lease renewals, enabling faster, more efficient contract management processes. Additionally, the platform implemented real-time automation for service request updates, ensuring customers had immediate access to the status of their inquiries.

To further improve customer engagement, communication channels were enhanced to deliver seamless and responsive interactions. These upgrades not only simplified access to essential services but also significantly improved the overall user experience for the Group's diverse community of businesses. By integrating these innovations, TECOM Group has demonstrated its dedication to adapting to evolving market dynamics and addressing the changing needs of its customers. This approach reinforces the Group's role as a leader in business enablement and digital transformation across its portfolio.

Financial Performance Overview

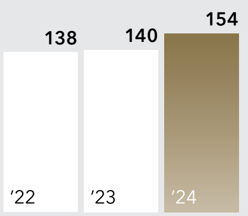
TECOM Group's Business Services segment recorded a strong financial performance in 2024, exceeding its revenue targets and delivering record-high revenue of AED 295 million – the highest in the Group's history.

This was driven by increased demand for visa services and licensing solutions. The segment's end-of-year financial position was also enhanced by operational efficiencies such as smarter digital onboarding processes and the seamless integration of newly acquired assets into the Group's ecosystem.

Highlights

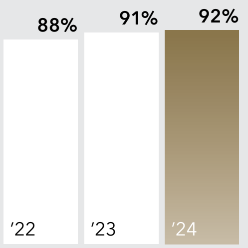
axs revenue

+10%



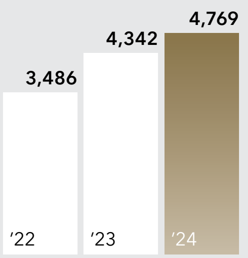
Services Automation %

+2%



Number of Freelancers

+10%



TECOM Group maintained high customer satisfaction levels through industry-leading, high-value support services while achieving a record financial performance.

The Startup Ecosystem

D/Quarters

Building on its successful launch in 2022 and expansion into Dubai Science Park in 2023, D/Quarters continued to expand its footprint and services in 2024, with co-working spaces at Dubai Internet City, Dubai Media City, and Dubai Science Park achieving near-full occupancy. The introduction of enhanced digital features through the D/Quarters app allowed users to book spaces, manage memberships, and access parking services seamlessly. The year also saw D/Quarters host over 50 industry-focused events, fostering collaboration and innovation among its vibrant community of entrepreneurs, freelancers, and businesses.

GoFreelance

GoFreelance also saw significant progress in 2024, issuing over 4,700 freelance permits – up from 4,300 in 2023. This strong performance has been partly driven by the government's streamlining of visa processes, the addition of new sectors under the freelance visa programme and the introduction of customised packages for freelancers. Freelancers now have access to co-working spaces and professional networking events, further strengthening the platform's appeal and reinforcing its commitment to growing Dubai's freelance economy.

Increase in Freelance Permits 2024

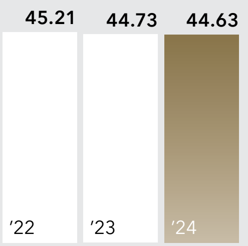
+427

D/Quarters Occupancy

89%

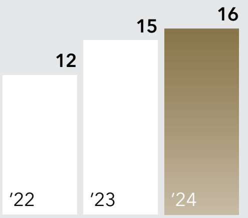
D/Quarters revenue

0%



GoFreelance revenue

+6%



Business Services helped to further increase TECOM Group's global appeal in 2024, driving revenues and reinforcing the Group's status as a global operational hub.

Other Services and Partnerships

Advertising and Venue Management Services (AVMS) achieved key milestones by expanding its portfolio of out-of-home (OOH) advertising locations across the Group's business districts.

AVMS also launched an online booking platform that has simplified client access to advertising spaces and event venues. In 2024, AVMS managed over 200 events, including high-profile conferences and exhibitions that attracted international participants.

TECOM Group expanded its service portfolio through strategic collaborations with entities like Dubai Customs and Sharjah authorities to ease import and export activities for businesses inside the Group's ecosystem. Additionally, a new partnership with VFS now provides our customers access to services such as authentication, notarisation, legalisation, and translation of essential documents on the axs platform.

Industry Recognition

TECOM Group's Business Services segment achieved significant recognition at the 2024 Stevie Awards, underscoring its leadership in fostering innovative and business-friendly ecosystems. The axs platform was a standout performer, winning two Gold Stevie Awards:

Award for Innovation in Customer Service Management, Planning & Practice
TECOM Group's axs platform was recognised for unifying over 200 government services, streamlining business operations, and delivering exceptional customer service through innovative digital solutions.

Award for Innovation in Technology Development
The axs platform was celebrated for its groundbreaking technological advancements, which have revolutionised service delivery and enhanced operational efficiency across TECOM Group's ecosystem.

In addition to these Gold awards, TECOM Group secured five Silver Stevie Awards and two Bronze Stevie Awards across various categories. These accolades highlight the Group's commitment to operational excellence, customer-centric innovation, and its role as a leader in driving digital transformation across the region.

A Year of Exceptional Growth in Our Portfolio

In 2024, TECOM Group solidified its position as a leader in property investment, achieving a substantial increase in asset valuation through strategic acquisitions, value-accretive development projects, and enhanced organic performance.

This progress underscores our commitment to maximising shareholder value while expanding and strengthening our industry-leading portfolio across business districts.

Market Dynamics

The investment landscape in Dubai showcased remarkable resilience in 2024, buoyed by a strong economic resurgence and sustained demand for premium Grade A properties. The tightening of capitalisation rates across various asset classes highlights the strong market appetite for strategically located, high-quality properties. TECOM Group's assets are at the forefront of this trend, reinforcing Dubai's stature as a leading global investment destination. This environment attracts a mix of regional and international investors, drawn by the promise of stable returns and substantial growth prospects.

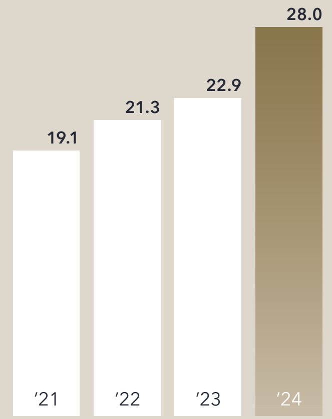
Valuation Overview

According to CBRE's valuation report, as of 31 December 2024, TECOM Group's Investment Property (IP) portfolio was valued at AED 28.0 billion. This marks a robust increase of 22.1% (AED 5.1 billion) compared to the previous year. On a like-for-like basis, excluding acquisitions and developments, the core asset growth was 11.0% (AED 2.5 billion).

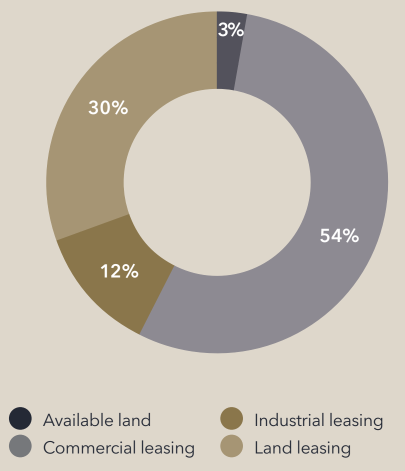
22%
Overall growth

11%
Like for like growth

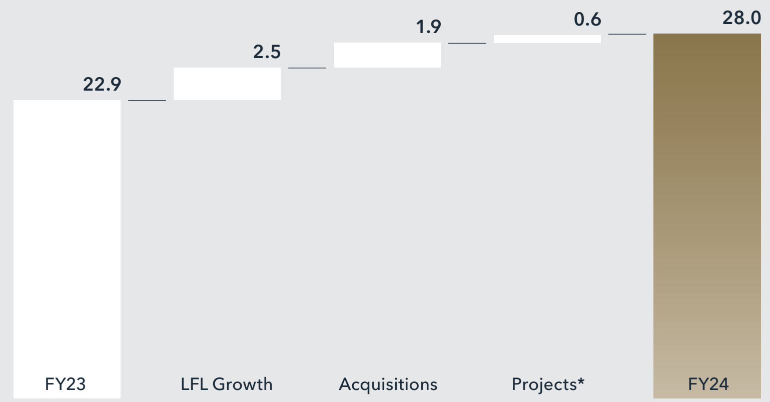
Investment Property Valuation (AED billion)



Valuation Contribution

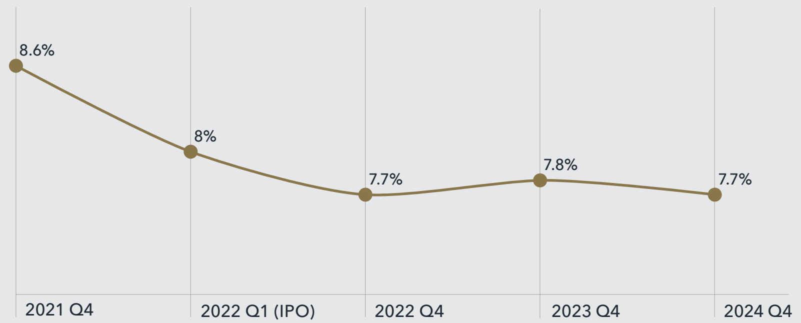


Investment Property Valuation (AED billion)



* Projects under development valuation increase

Portfolio Equivalent Yield (%)



Source: CBRE valuation for the year end 2021, 2022, 2023 & 2024; JLL valuation dated 31 March 2022.

Organic Growth

The core asset growth of 11.0% was mainly fuelled by an increase in the value of the Group's operating assets, representing two-thirds of the total portfolio. The successful onboarding of new customers, the expansion of existing customers, notable rental rate improvements, and operational efficiencies propelled this uplift. TECOM Group's deliberate focus on providing adaptable, state-of-the-art business environments perfectly attuned to market trends also contributed to the positive valuation outcomes.

Expansion through Acquisitions and Development

The Group's recent acquisitions and ongoing development projects, valued at AED 2.7 billion, illustrate TECOM Group's continued commitment to portfolio expansion, adding breadth and depth to its property holdings. This strategic expansion and valuation uplift in 2024 underscore the Group's leading position in the real estate sector, driven by proactive management and forward-looking investment strategies.

Dubai Internet City

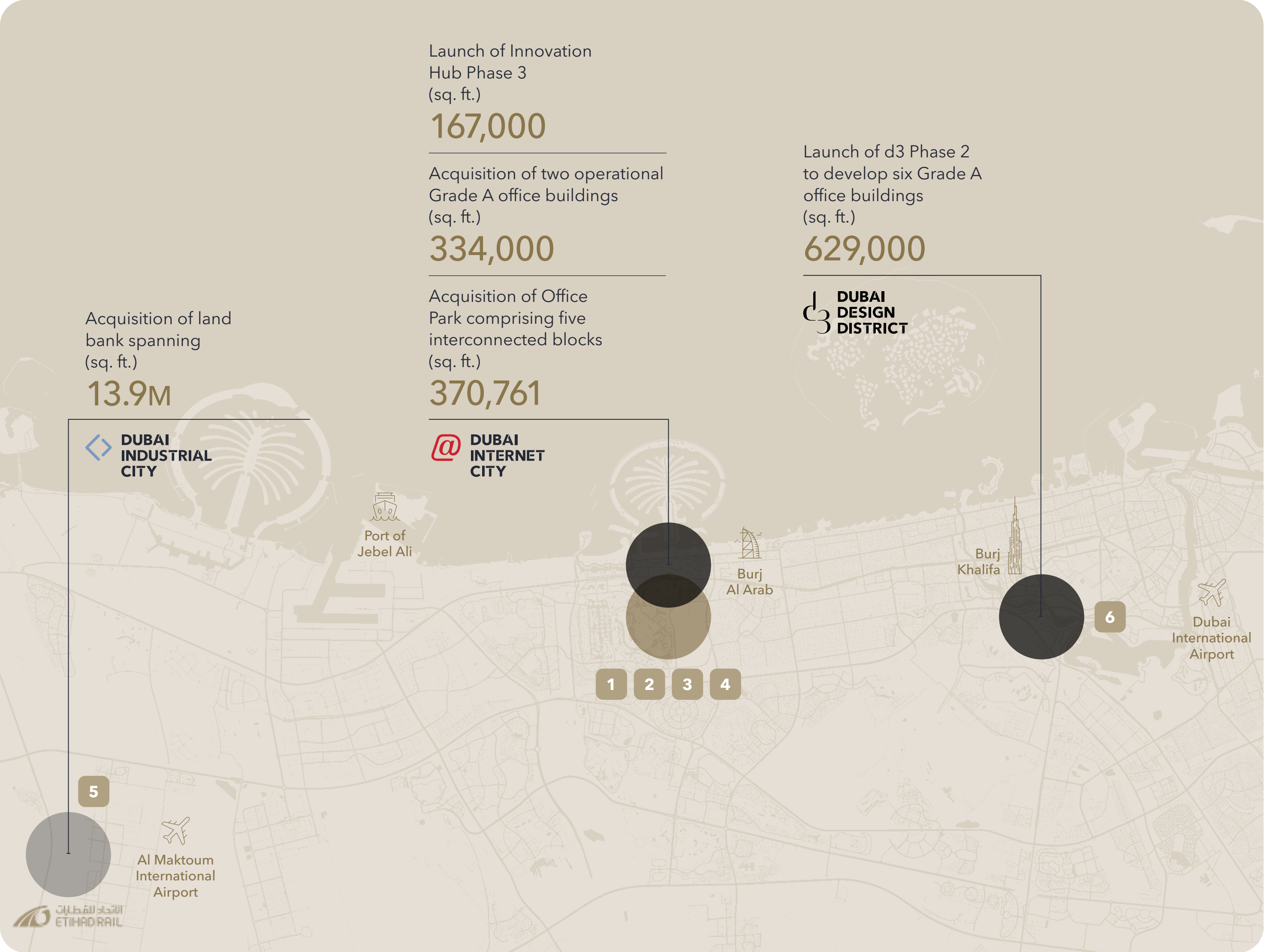
Asset Acquisition and Development

TECOM Group expanded its portfolio in 2024 through strategic acquisitions and developments, bolstering its presence in key commercial hubs. These investments enhance market position with high-quality assets aligned to long-term growth goals. Ongoing projects are progressing as planned, prioritising innovative, sustainable, and flexible spaces to meet tenant needs. This approach underscores TECOM Group's commitment to portfolio diversification and a robust growth pipeline, ensuring sustained success.

Total Investment 2024
AED 2.7B

Asset Acquisitions
AED 1.5B

New Developments
AED 1.2B



Development projects

Land acquisition

Operational assets acquisition

1 DPG HQ

Location	Dubai Internet City
Category	Grade A
GLA	198,093 sq. ft.
Occupancy (at acquisition)	87%

This premium office properties in Dubai Internet City, acquired for AED 256 million, illustrates excellence in workspace design. Strategically located near vibrant communities such as Marina, Jumeirah, and JLT, this low-rise building offers seamless connectivity via Al Sufouh and Sheikh Zayed Roads. It also ensures tenant convenience with over 340 parking spaces, nearby F&B outlets, retail amenities, and a large public car park. Positioned within a thriving ecosystem alongside Dubai Knowledge Park, Dubai Media City, and In5, the property houses elite tenants like Amazon, Ferrari, and Lukoil, fostering a dynamic environment for business growth and talent development.

2 Injaz Building

Location	Dubai Internet City
Category	Grade A
GLA	136,115 sq. ft.
Occupancy (at acquisition)	67%

Acquired for AED 164 million, this distinguished office property in Dubai Internet City exemplifies modern workspace innovation. The low-rise building offers excellent accessibility through major highways and arterial roads, ensuring seamless connectivity. With over 320 parking spaces, nearby retail outlets, diverse dining options, and a large public car park, it is designed to meet the needs of its tenants efficiently. Strategically located within TECOM's thriving central business districts, the property is home to prestigious tenants such as Hult Business School, Sprinklr, and Medtronic. This dynamic environment fosters collaboration, business growth, and talent development, making it an ideal hub for innovation.

3 Office Park

Location	Dubai Internet City
Category	Grade A
GLA	370,761 sq. ft.
Occupancy (at acquisition)	88%

Acquired for AED 720 million, Office Park is strategically located in the region's most prominent tech hub, Dubai Internet City. This L-shaped complex features five interconnected blocks and offers a modern, mixed-use facility with offices, retail spaces, and upscale restaurants. Recently refurbished, it boasts an 88% occupancy rate, housing global brands like Coca-Cola, Uber, Red Hat, and Ticketmaster. With stunning views of Palm Jumeirah, over 800 parking spaces, and lease terms exceeding two years, the property ensures steady income and convenience. Significant potential exists to optimise rental rates and occupancy, promising robust returns while maintaining its position as a premium business destination.

4 Innovation Hub Phase 3

Location	Dubai Internet City
Category	Grade A
GLA	167,118 sq. ft.
No. of buildings	2

With an estimated capital expenditure of AED 340 million, Innovation Hub Phase 3 in Dubai Internet City addresses the growing demand for premium Grade A office spaces. The project is scheduled for completion in mid-2027 and offers customisable office solutions tailored to diverse business needs. It builds on the success of Phase 2, fully pre-leased ahead of its early-2025 delivery, and Phase 1, which remains fully occupied by global tech leaders. Strategically positioned with excellent connectivity, vibrant amenities, and a dynamic ecosystem, the Innovation Hub enhances collaboration, nurtures talent, and drives technological advancement, reinforcing Dubai's status as a global innovation leader.

5 DI Land Plots Acquisition

Location	Dubai Industrial City
No. of plots	73
GLA	13,875,962 sq. ft.
Confirmed leads (at acquisition)	75%

The Group has strategically expanded its land lease portfolio with the AED 410 million acquisition of prime, well-connected industrial plots, addressing the growing demand for industrial leasing. This move supports government-driven initiatives like "Operation 300 Billion" and "Make it in Emirates," fostering industrial growth and driving demand for mixed-use developments. The newly acquired plots are expected to enhance the Group's financial performance in the short to medium term. Long-term lease contracts associated with these assets will ensure revenue stability, strengthening the Group's position as a leader in the industrial leasing market while supporting national economic goals.

6 D3 Phase 2

Location	Dubai Design District
Category	Grade A
GFA	629,000 sq. ft.
No. of buildings	6

TECOM Group is advancing its leadership in premium workspaces with an expected investment of more than AED 800 million in developing six Grade A office buildings in Phase 2 of Dubai Design District (d3). Designed to meet the growing demand from global creative companies, the project features sustainable office spaces with breathtaking views of the Dubai skyline and Burj Khalifa. Beyond workspaces, it includes sports facilities, community areas, fine dining, ample parking, and an extended promenade to enrich surrounding residential areas. Scheduled for completion by H1 2028, this transformative development will enhance Dubai's creative industries, attract top talent, and reinforce the city's standing as a global cultural hub.

Dubai Internet City – Revitalisation of Assets

TECOM Group's portfolio is meticulously crafted from premium, long-lasting assets, consistently maintained to meet the highest industry standards, ensuring lasting value and performance.

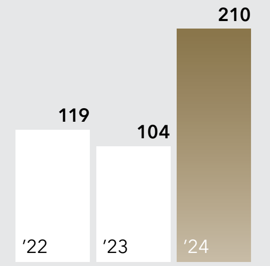
The Group consistently provides its properties with top operating and technical specifications through rigorous monitoring and a disciplined approach to refurbishment and maintenance. These efforts are vital for long-term success by improving tenant satisfaction, enhancing property value, and increasing occupancy while minimising churn. This approach also optimises operational efficiency, reduces costs, extends asset lifespan, and provides a competitive edge by attracting high-quality tenants, ensuring stable revenue and occupancy.

As of 31 December 2024, TECOM Group had invested AED 210 million in capital expenditures, balancing value-enhancing initiatives with essential upkeep. This strategic allocation safeguards asset quality while supporting sustainable growth. Moreover, the Group allocates a substantial amount annually to ensure we align with ESG standards and support our sustainability objectives.

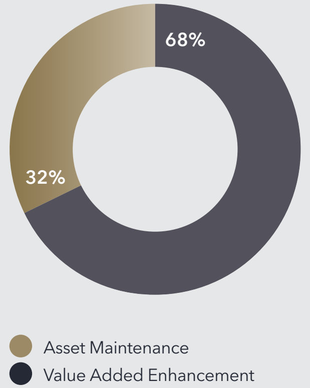
AED 210M

Invested in Asset Upgrades

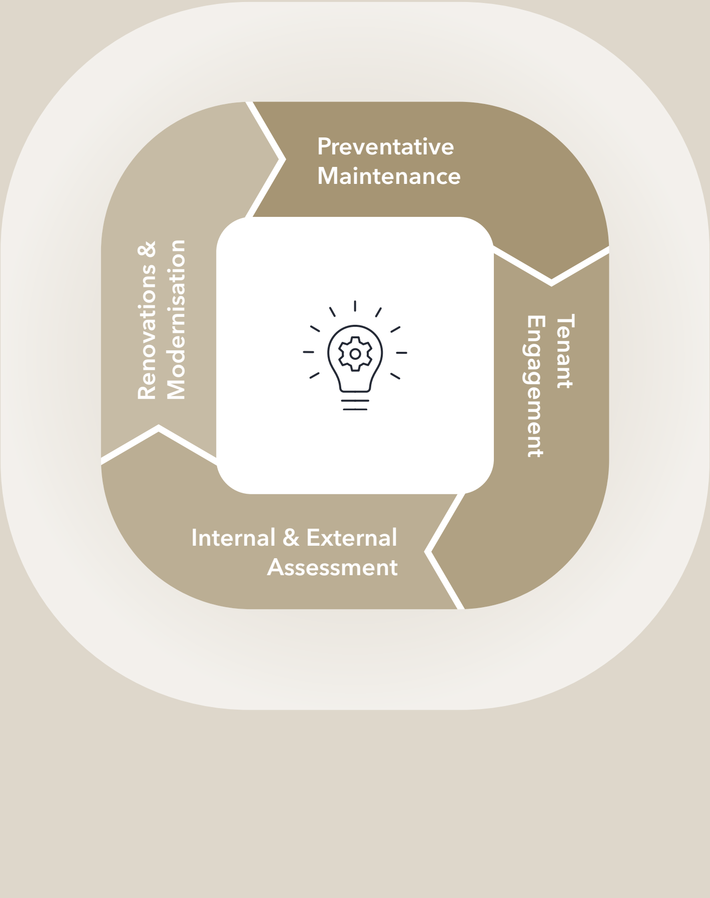
Maintenance and Enhancement Capex (AED million)



Maintenance and Enhancement Capex (%)



Asset Enhancement Cycle



A transformative year of organic and inorganic growth

Through organic and inorganic growth, the company has yielded significant results, with major deals positively enhancing our financial performance in 2024. We anticipate that this strategic momentum will continue into 2025, driving further revenue growth through rising demand and the inherent value of the Group's infrastructure and business services ecosystem.

Financial Performance and Balance Sheet

In 2024, TECOM Group's revenue reached AED 2,402 million, surpassing our projections. The impressive 11% year-on-year (YoY) growth was driven by higher rental rates, increased occupancy across the portfolio, and strategic acquisitions that bolstered our asset base. By 31 December 2024, the Group reported an 12% YoY growth in EBITDA, reaching AED 1,854 million, with a strong margin of 77%.

This performance reflects our ongoing efforts to optimise cost efficiency while maintaining high service standards. We anticipate maintaining these robust margins into 2025 as we continue to leverage both organic and inorganic growth opportunities. Our net profit for 2024 saw impressive growth, rising by 14% to AED 1,228 million – this exceptional outcome was driven by enhanced operational efficiency, supported by strategic initiatives, and reinforced by sound financial stewardship, ensuring long-term stability and value creation.

> "2024 has been a transformative year for TECOM Group, marked by strong cash generation, stable financing of key strategic initiatives, and sustained growth across all business segments."

TECOM Group's financial strength is further evidenced by its robust liquidity position. By year-end, funds from operations stood at AED 1,643 million, complemented by recurring free cash flow of AED 1,409 million. Our conservative balance sheet approach and effective multi-year hedging strategies have provided stability amid global rate uncertainties.

The Group maintained a healthy cash and bank balance of AED 1,017 million as of year-end, reflecting prudent cash management practices. Additionally, TECOM Group has access to AED 2,350 million in unutilised credit facilities, ensuring significant financial flexibility to support operational needs and strategic growth opportunities. This strong liquidity profile underscores the Group's resilience and readiness to capitalise on future opportunities while safeguarding against potential market fluctuations.

Property Valuation and Yields

Throughout 2024, we continued to enhance the value of our property portfolio. The Group's assets underwent revaluation during the year, resulting in a total property valuation of AED 28 billion as of 31 December 2024. This uplift reflects both market appreciation and our strategic investments in high-demand sectors. Yields across our portfolio remained strong, with average yields of 7.7%, reaffirming the attractiveness of our assets in a competitive market. These yields are supported by stable occupancy levels and long-term leasing agreements secured throughout the year.

EPRA Earnings and Cost Efficiency

Our focus on cost efficiency has been a key driver behind TECOM Group's strong EBITDA margin in 2024. We implemented several cost-optimisation initiatives that have streamlined operations without compromising service quality. This has allowed us to maintain healthy margins despite inflationary pressures. EPRA earnings for 2024 stood at AED 1,638 million, reflecting a YoY increase of 9%. This metric underscores our ability to generate sustainable earnings from our core real estate operations while delivering value to shareholders.

Investor Engagement and Shareholder Value

In 2024, we intensified our engagement with investors and analysts through regular meetings and transparent communication about our strategic direction. These efforts have contributed to an improvement in TECOM Group's share price over the year, as investor confidence in our growth strategy strengthened. We remain committed to fostering transparent communication with the investment community as we continue to expand our shareholder base and deliver long-term value.

Financial Strategy and Alignment

Combined with strong cash generation, TECOM Group's revolving credit facility enabled us to allocate resources efficiently towards new asset acquisitions in 2024. These have enriched our portfolio, increased property values, and strengthened tenant engagement and ecosystem integration. Looking ahead, we are well-positioned to manage future growth opportunities effectively while maintaining financial resilience. Our strategy aligns closely with Dubai's economy and supports national GDP growth across key sectors.

As Dubai continues to attract foreign direct investment (FDI), TECOM Group will deliver value to shareholders by accelerating revenue growth, enhancing the city's knowledge economy, improving the ease of doing business for tenants, and maintaining high tenant retention rates through superior service delivery, we anticipate that the Group's investments will continue to drive revenue growth and deliver strong financial returns.

We will also continue to optimise TECOM Group's financial performance through prudent management, a conservative risk appetite and the provision of exceptional services to our customers.

Michael Wunderbaldinger
Chief Financial Officer
TECOM Group

EBITDA Margin
77%
1% Growth YoY

Loan to Value Ratio
15%
2.7% Growth YoY

Return on Equity
19%
1.3% Growth YoY

Delivering Long-Term Shareholder Value

In 2024, TECOM Group produced outstanding financial results, significantly boosting both Revenue and EBITDA compared to the previous year and exceeding yearly targets. This achievement can be attributed to targeted investments, asset performance, prudent cost management and a strong dedication to customer satisfaction.

Income Statement

AED million	2024	2023	Variance	Variance %
Revenue	**2,402**	2,173	229	11%
EBITDA	**1,854**	**1,654**	**200**	**12%**
EBITDA Margin	**77%**	76%	1%	
Net Profit	**1,228**	**1,078**	**150**	**14%**
Net Profit Margin	**51%**	50%	1%	

The 12% improvement in our EBITDA reflects our commitment to operational excellence. Through strategic financial management, we achieved a 13% decrease in overall debt expenses, further solidifying our financial health. In addition, we sustained robust cash flow, providing us the agility to reinvest in key business areas and consider strategic opportunities.

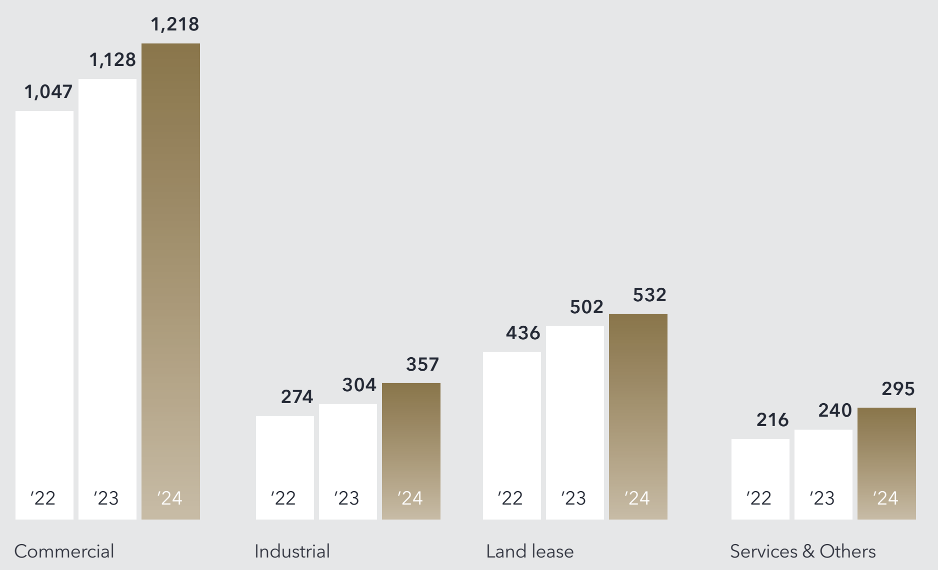
Our impressive financial outcomes highlight the effective execution of our fiscal strategy, showcasing our resilience and ability to adapt to a dynamic economic landscape. Looking ahead, we are dedicated to continuing this growth trend while providing consistent value to our stakeholders.

Revenue Performance

TECOM Group demonstrated exceptional growth, achieving a 11% increase in revenue year-on-year. This success was significantly driven by the performance of Dubai Internet City, which undertook strategic acquisitions, and Dubai Industrial City, which achieved substantial growth in land lease occupancy.

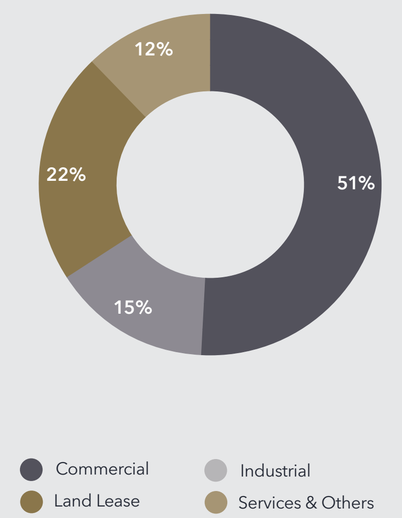
The Group's commitment to enhancing customer satisfaction led to many business partners expanding their leases, resulting in improved occupancy rates and higher leasing revenues. This also positively impacted axs revenues, with a notable rise in the number of visas issued. Additionally, the co-working product D/Quarters exceeded expectations by delivering strong revenue growth.

Revenue by segment (AED million)



"Our impressive financial outcomes highlight the effective execution of our fiscal strategy, showcasing our resilience and ability to adapt to a dynamic economic landscape."

Revenue by segment (%)



Revenue by segments

Commercial Leasing

In 2024, the Commercial Real Estate Leasing sector saw revenues rise by AED 90 million, an 8% increase from AED 1,128 million to AED 1,218 million. Key contributors included the technology sector through acquisitions and the science industry with enhanced lease rates. The media and education sectors also boosted success by acquiring new customers and expanding the existing customer base.

Year-on-Year Performance

AED 90M

8% Growth YoY

Land Leasing

The Land Leasing sector's revenue grew by 6% to AED 532 million in 2024, up from AED 502 million. Increased leasing activities and a favourable economic environment for industrial land demand drove this growth. The segment capitalised on these conditions to sustain its growth trajectory.

Year-on-Year Performance

AED 31M

6% Growth YoY

Industrial Leasing

Industrial Leasing revenues increased by AED 53 million to AED 357 million in 2024, marking a 17% growth. Higher occupancy rates and lease prices in warehouse facilities and worker accommodation sectors fuelled this performance.

Year-on-Year Performance

AED 53M

17% Growth YoY

Services and Others

Revenue from other services grew by 23%, reaching AED 295 million for the year. This growth was mainly due to increased demand for co-working spaces and stable contributions from established visa services.

Year-on-Year Performance

AED 56M

23% Growth YoY

2024 Highlights

Cash Flow Margin

76%

1% Growth YoY

Net Profit Margin

51%

1% Growth YoY

Return on Assets

8%

1% Growth YoY

Costs	2024 AED m	2023 AED m	Variance AED m	Variance %
Direct Costs	**(440)**	(389)	(51)	(13%)
Operating Expenses	**(246)**	(187)	(59)	(32%)
Total	**(686)**	**(576)**	**(110)**	**(19%)**

Direct Costs

In 2024, direct costs, including facilities management, utilities, and visa services, rose by AED 51 million. This increase was largely attributed to the acquisition of additional assets, higher occupancy levels, and expanded visa services driven by the introduction of new products with varied cost structures. Aligned with TECOM's ESG framework, the Group reinforced its dedication to sustainability by investing in solar energy projects. Further details on TECOM's ESG initiatives and achievements can be found on page 106.

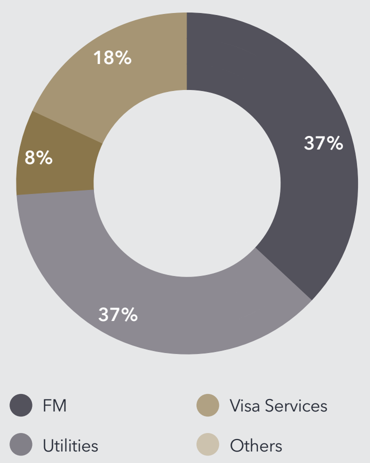
Operating Expenses (OPEX)

Operating expenses grew by AED 59 million during 2024. This rise was primarily due to the reversal of bad debt provisions recorded in the prior year and higher administrative costs resulting from an expanding customer base.

Net finance costs

The group maintained its weighted average cost of debt at 4% during 2024. Net finance costs decreased by AED 23 million to AED 158 million, aided by lower margins on refinanced loans and gains from derivative instruments.

Direct Cost Components (%)



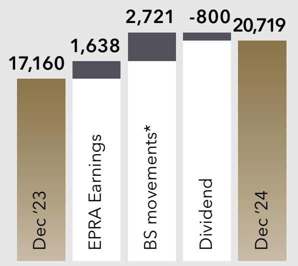
EPRA

The Group delivered impressive growth in its EPRA performance indicators for 2024. EPRA Earnings increased by 9% to AED 1,638 million, while Earnings per Share advanced to AED 0.33. EPRA net assets rose significantly to AED 20,719 million, marking a growth of AED 3,559 million compared to the prior year. The net initial yield remained stable at 6.7% in 2024.

These results highlight the Group's robust financial position and operational effectiveness within the real estate market. The rise in EPRA Earnings reflects strong underlying operational performance, excluding impacts from depreciation and valuation changes. Similarly, the growth in EPRA NTA signifies the Group's success in generating value from its existing portfolio and newly acquired properties. The upward trajectory of EPRA NTA showcases efficient asset management and strategic decision-making.

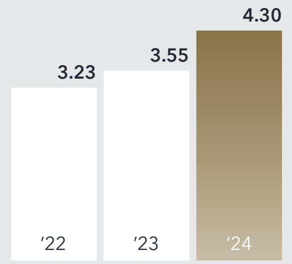
In summary, the strong performance across these metrics underscores the Group's ability to maintain a well-optimised real estate portfolio, align with industry standards, and reinforce its competitive position in the market.

EPRA NTA Movement (AED million)



*Balance sheet movements mainly arise due to the use of IP fair values for EPRA reporting vs. the Balance sheet cost model.

EPRA NTA Pre-Dividend (AED per Share)



Balance Sheet	2024 AED m	2023 AED m	2022 AED m
Investment Properties	**13,820**	11,865	11,874
Cash & Bank	**1,017**	1,535	1,261
Total Assets	**16,291**	14,814	14,555
Debt	**5,213**	4,352	4,342
Equity (IFRS net Assets)	**6,708**	6,329	5,968
Net Debt	**4,196**	**2,817**	**3,081**

Balance Sheet

Despite dividend distributions, the Group's balance sheet remained strong in 2024, with equity increasing by 6% to AED 6,708 million. This solid foundation offers stability for operational demands and future expansion plans. During the year, AED 850 million in debt was drawn to fund strategic acquisitions, totalling AED 1.5 billion, reflecting a loan-to-value ratio of 55% for these new assets.

Despite this borrowing, the Group maintained conservative leverage ratios, staying well within debt covenant limits. Asset growth of 10% reflects effective capital allocation and strategic investments, contributing to overall value creation. Liquidity remained robust, with AED 1,017 million in cash and bank balances alongside an unutilised debt facility of AED 2,350 million, ensuring readiness for operational and strategic opportunities. Additionally, a healthy working capital position reinforced efficient day-to-day management, enabling the Group to meet short-term obligations effectively.

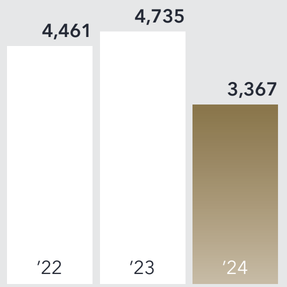
The balance sheet shows a financially sound company strategically managing its resources to foster stability, growth, and sustained shareholder value.

Debt/Equity
0.8x

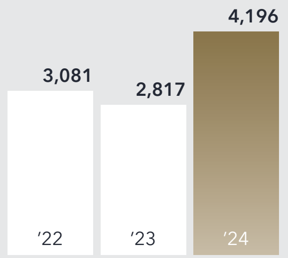
Debt/Total Assets
32%

Available Funds (AED million)

AED 3,367M



Net Debt (AED million)



2024 Highlights

Equity
AED 6,708M
6% Growth

Total Assets
AED 16,291M
10% Growth

Finance Costs-Net
AED 158M
13% Decrease

Return on Capital Employed
12%

Cash Flow

Operating cash flows reached AED 1,822 million in 2024, reflecting a 12% increase compared to the previous year. This growth highlights the Group's effective working capital management, particularly through streamlined receivables processes.

Capital expenditures for the year amounted to AED 2,288 million, marking a significant increase of 5.3 times over 2023. These investments were directed toward major acquisitions and the initiation of key projects such as Phase 3 of the Innovation Hub and Phase 2 of d3. Additionally, ongoing upgrades and refurbishment initiatives ensured the enhancement of existing assets.

On the financing side, an AED 850 million debt drawdown supported a portion of this substantial capital expenditure. The Group adhered to its financial commitments by paying interest costs as per loan agreements and distributing dividends in accordance with its established dividend policy.

Costs	**2024 AED m**	2023 AED m	2022 AED m
Operating Cashflow	**1,822**	1,631	1,504
Investing Cashflow	**(1,724)**	(477)	(1,043)
Financing Cashflow	**(129)**	(761)	(953)
Net Cashflow	**(32)**	393	(492)
Cash & Cash Equivalents	**638**	670	277

Funds from Operations (FFO)

The Group's Funds from Operations (FFO) exhibited robust growth in 2024, increasing by 14% to reach AED 1,643 million. This highlights the Group's strong ability to generate cash from its core operations. With an EBITDA-to-FFO conversion rate of 89%, the Group demonstrated efficient cash flow conversion from operational activities. This upward trend underscores the Group's capacity to meet shareholder expectations while supporting future growth initiatives. As a critical financial indicator, FFO continues to reflect the strength and income-generating potential of the Group's real estate portfolio.

Recurring Free Cash Flow (RFCF)

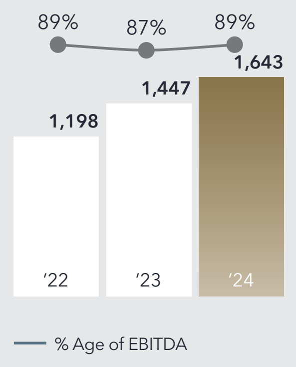
The recurring free cash flow showcased consistent resilience, growing 18% in 2024 with a 76% conversion from EBITDA. This performance underscores the Group's capability to generate positive cash flows from its core operations, providing a solid foundation for strategic investments and shareholder returns through dividends. This financial stability highlights the Group's ability to balance operational needs with opportunities for reinvestment and value creation.

Re-investment Ratio
79%

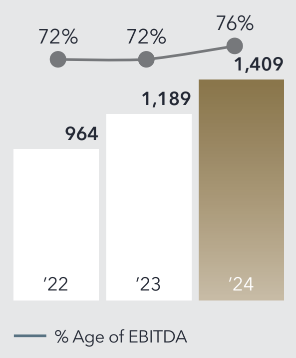
Cash Return on Assets
12%

DSCR
10.3x

Funds from Operations (FFO) (AED million)



Recurring Free Cash Flow (RFCF) (AED million)



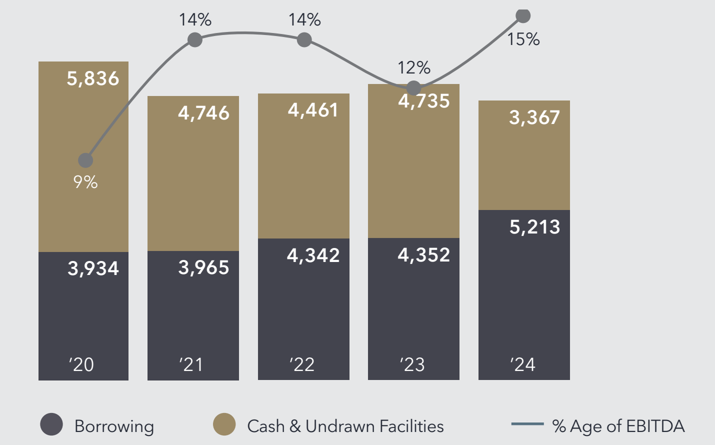
Capital Management and Funding

The Group has excelled in capital management by adopting strategies that optimise its financial framework. This includes maintaining strong leverage ratios, ensuring robust interest coverage, and achieving a notable reduction in finance costs.

Funding for acquisitions and developments announced during the year was effectively managed, balancing debt and equity while adhering to a conservative loan-to-value ratio. Strategic cash management during periods of lower capital expenditures also allowed the Group to generate significant interest income, contributing to an exceptionally low average cost of debt.

Weighted average Cost of Debt
4%

Leverage Ratio
2.3x



Dividends

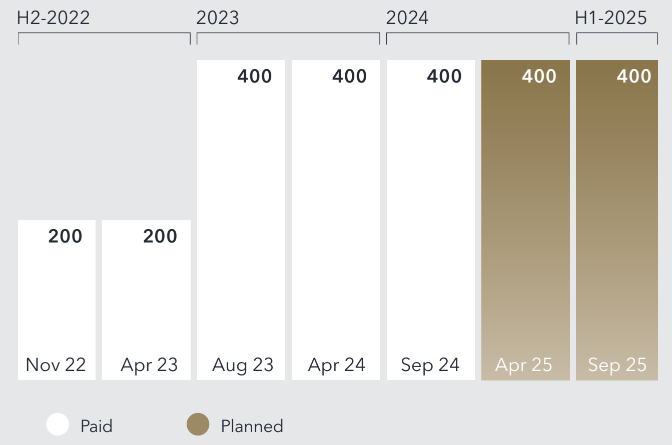
Announced in 2022 as part of the IPO prospectus, the Group committed to semi-annual dividend payments totalling AED 800 million per year.

Since listing, this commitment has been consistently upheld, and the Group remains steadfast in its dedication to maintaining annual dividend payouts of AED 800 million in alignment with its established dividend policy, business model, and strategic objectives.

Supported by robust profitability and strong cash flows, the Group boasts a dividend coverage ratio of 176% for 2024, based on recurring free cash flow and planned annual dividends. This solid financial foundation ensures the Group's ability to meet shareholder expectations while maintaining its focus on long-term value creation.

FFO Dividend Coverage
205%

RFCF Dividend Coverage
176%



Monitoring our progress and performance

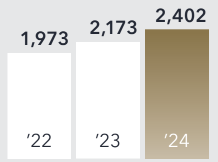
TECOM Group establishes clear strategic objectives and regularly monitors progress to assess the effectiveness of its initiatives, the value generated, and overall strategic advancement. Key Performance Indicators (KPIs) play a vital role in this process, guiding the efficient allocation of internal resources and shaping performance-based remuneration for Senior Management and employees.

We define our Key Performance Indicators (KPIs) by aligning strategic objectives and risk management with operational execution, integrating the core components of our business plan under the following priorities:

- the value we deliver to our investors
- how well we serve our customers
- what strategic processes do we deploy to provide value
- how we sustain growth and continue to create values for our stakeholders

Revenue (in AED)

2,402M



Why We Use this Indicator

Revenue serves as a core indicator of TECOM Group's operational and financial performance, providing a clear measure of the Group's ability to drive profitability and generate robust cash flows. This focus on revenue aligns with TECOM's strategy of leveraging its integrated business districts to create sustainable value, ensuring the effective management of resources and the delivery of long-term success for all stakeholders.

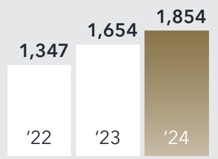
Strategic Component

Our Performance

The 11% year-on-year revenue growth achieved by TECOM Group in 2024 was driven by a combination of factors that reflect the strength of its integrated business districts. Driven mainly by higher occupancy across the portfolio, improved leasing rates, growth in business services, robust macroeconomic conditions and exceptional customer retention rates have contributed to this milestone. These results underscore TECOM's ability to harness its unique infrastructure and services to create value and foster shared success across its diverse ecosystem.

EBITDA (in AED)

1,854M



Why We Use this Indicator

EBITDA serves as a cornerstone metric for evaluating TECOM Group's operational and financial performance. By focusing on earnings before interest, taxes, depreciation, and amortisation, this measure provides a clear picture of the Group's core profitability and operational efficiency, making it an essential driver of cash flow generation and dividend distribution. By focusing on EBITDA as a key metric, TECOM Group ensures that its strategic decisions are aligned with its mission to empower businesses and drive long-term success.

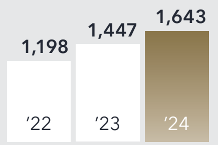
Strategic Component

Our Performance

In 2024, TECOM Group achieved an 12% year-on-year increase in EBITDA, reaching AED 1,854 million. This growth was accompanied by an expansion in EBITDA margin to 77%, up from 76% in 2023. This EBITDA performance is underpinned by the Group's solid revenue growth and operational efficiency, as well as its effective cost management.

Funds from Operations (FFO) (in AED)

1,643M



Why We Use this Indicator

Funds from Operations (FFO) is a critical metric for TECOM Group, reflecting its ability to maintain healthy operational cash flows. This measure ensures the Group can meet its capital expenditure (capex) obligations to uphold the high standards of its assets, aligning with tenant expectations while also delivering consistent dividend payouts to shareholders. Calculated by deducting net financing costs paid from cash flow generated by operations, FFO provides a clear view of TECOM's financial health and operational efficiency.

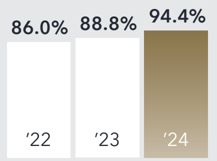
Strategic Component

Our Performance

In 2024, TECOM Group's FFO continued its upward trajectory, achieving a 14% year-on-year increase. This growth reflects the Group's commitment to creating value for both business partners and shareholders. Key drivers of this performance included strong revenue growth, disciplined cost management, and a well-structured financing strategy that benefited from a declining average cost of debt.

Occupancy

94.4%



Why We Use this Indicator

Occupancy is a key metric for TECOM Group, providing critical insights into the utilisation and efficiency of our portfolio. It reflects how effectively our commercial and industrial spaces are being leased and serves as a benchmark for the performance of our offerings. Occupancy is calculated by dividing the total leased space by the total leasable space, offering a clear measure of portfolio optimisation.

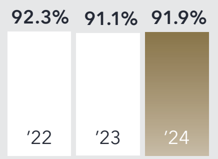
Strategic Component

Our Performance

In 2024, occupancy levels across TECOM Group's commercial and industrial assets reached an impressive 94%, reflecting a 5% increase over 2023. This achievement demonstrates the resilience of our portfolio and our unwavering commitment to delivering tailored solutions that enhance tenant satisfaction.

Retention

91.9%



Why We Use this Indicator

Retention is a critical measure for TECOM Group, enabling us to assess the stability of our lease agreements and mitigate revenue risks. We achieve this by fostering strong tenant relationships, implementing effective feedback mechanisms, and offering a diverse range of solutions tailored to customer needs. Retention is calculated by determining the total lease value of built-to-lease tenants retained within the Group's portfolio.

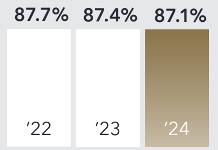
Strategic Component

Our Performance

In 2024, TECOM Group achieved a 92% retention rate across its portfolio, marking a 1% year-on-year growth. This reflects strong tenant satisfaction and highlights the value tenants place on TECOM's offerings despite rental rate increases, which demonstrate the strong demand for TECOM's premium assets.

Customer satisfaction

87.1%



Why We Use this Indicator

At TECOM Group, customer satisfaction is integral to our strategy of creating interconnected business districts that empower businesses to thrive. By prioritising the needs and experiences of our tenants, we ensure that our offerings remain aligned with their evolving expectations while fostering a collaborative and supportive environment.

Strategic Component

Our Performance

In 2024, TECOM Group remained committed to enhancing the customer experience by actively seeking feedback and identifying opportunities for improvement. While rent escalations influenced recent shifts in satisfaction levels, customer insights have been instrumental in pinpointing areas requiring additional focus and refinement.

Strategic Pillars

- Optimise Core Business & Performance
- Develop Differentiated Value Proposition
- Build New Sources of Growth

Risk Management Overview

Risk management is an integral part of all TECOM Group activities. Our culture drives us to consider the risks and opportunities of any new business decision. We focus on key risks that could impact the achievement of our strategic goals and, therefore, the performance of our business.

Risks are considered at every level of the business, including when approving corporate transactions, property acquisitions and refurbishment and redevelopment projects. Our approach to risk management is designed to protect and enhance value for our stakeholders, ensuring long-term resilience and adaptability in a dynamic market landscape.

This section outlines our comprehensive risk management framework, highlighting our commitment to not only identifying and mitigating risks but also integrating key Environmental, Social, and Governance (ESG) factors into our risk assessment and management processes. As we navigate through an ever-evolving business environment, our dedicated focus on risk management positions TECOM Group to effectively manage potential challenges and seize emerging opportunities.

Risk management achievements and key successes in 2024

TECOM Group continuously strives to strengthen and enhance its risk management, internal control and compliance practices. In 2024, the following achievements were made:

- We have ensured regular and periodic reporting to the Risk Committee on the TECOM Group risk profile. Five Risk Committee meetings were conducted in 2024, and Quarterly Risk Reports were submitted to the Board. Please refer to the Corporate Governance section (page 152) for further details.
- The Risk Appetite Statement was updated to reflect recent business changes and approved by the Board. We have assessed and applied the approved risk appetite across all risks.
- The ERM framework was updated to align with the recent changes in business and processes.
- Key Risk Indicators (KRIs) were revised and updated to include additional indicators.
- TECOM has completed a comprehensive review and enhancement of its Business Continuity and Crisis Management documentation. This initiative aims to strengthen TECOM Group's business resilience and align it with best practices. Further details can be found in the Risk Management Overview.
- A Risk awareness session on the current UAE market and Real Estate risks was provided to the Board members as part of the Board Strategy Day
- Risk Management awareness sessions were provided to TECOM Group employees.
- TECOM Group's Internal Audit Department conducted a review of the Risk Management Department's governance, focusing on Risk monitoring, reporting, project risk management and other key processes.
- Risk champions from each department and business district were identified and provided training on the ERM software to allow seamless identification and monitoring of risks across TECOM.

Risk Management Governance

The Board has ultimate responsibility for effectively overseeing risk for TECOM Group, including determining its risk appetite. The Risk Committee serves as a governance oversight body to review and challenge the risk management processes.

The Diagram beside depicts the hierarchy of the Risk governance structure at TECOM group:

Board of Directors

Strategic Oversight and Governance

The TECOM Group Board of Directors play a crucial role in the overall governance and strategic direction of risk management.

The Board's responsibilities include:

Setting the tone: Establishing a risk management culture and philosophy that aligns with TECOM Group's values and business objectives.

Strategic oversight: Ensuring that risk management strategies and policies support the company's long-term goals and are effectively integrated into corporate planning.

Accountability: Holding the Risk Committee and management accountable for effective risk management and compliance with established policies.

Risk Committee

Risk Oversight

Operating under the board's mandate, the Risk Committee provides more focused and detailed oversight of TECOM Group's risk management practices.

TECOM Group's risk management practices include:

Specialised oversight: The committee oversees the development, implementation, and effectiveness of risk policies and procedures.

Risk appetite and tolerance: The Committee assists the Board in setting and monitoring the risk appetite and tolerance levels.

Reporting and advisory: It regularly reports to the Board on risk exposure and mitigation strategies and advises on significant risk-related decisions.

Risk Management Department

Operational Implementation

The Risk Management Department, led by the Director of Risk, is responsible for managing day-to-day risks.

The day-to-day tasks include:

Risk identification and assessment: Conducting thorough risk assessments across various functions and reporting findings to the Risk Committee.

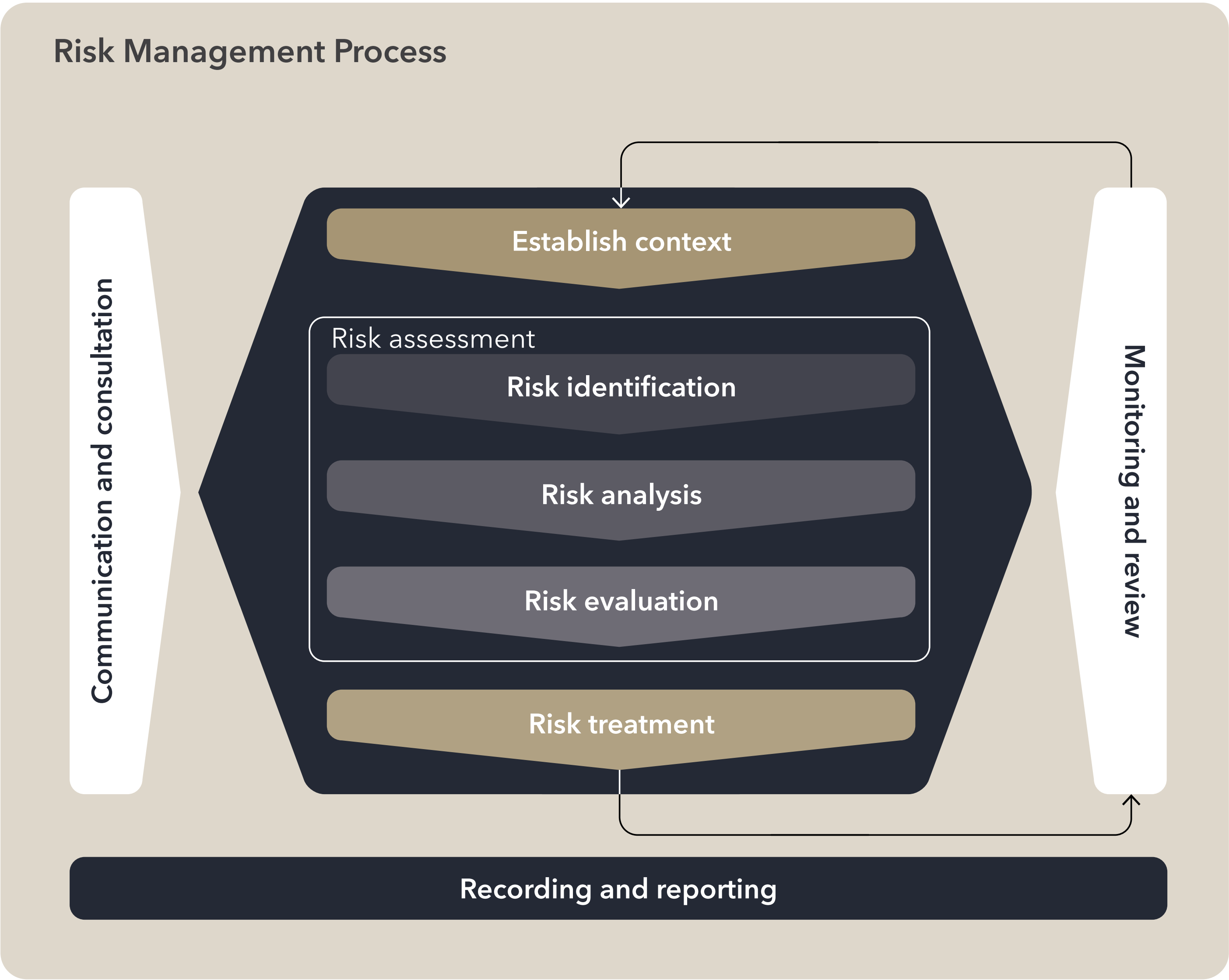
Mitigation and control: Monitoring the risk mitigation strategies and controls as approved by the Risk Committee.

Monitoring and reporting: Continuously monitoring the risk environment and providing regular reports to the Risk Committee and the Board.

Risk awareness training: Providing regular risk awareness training to TECOM Group employees.

Enterprise Risk Management (ERM) Framework

TECOM Group's enterprise risk management framework emphasises proactive risk identification, thorough assessment, and effective mitigation. Our policy and strategy are deeply integrated with our strategic objectives, ensuring alignment with our overall vision. Responsibilities are clearly delineated within the organisation, from the Board level to operational teams, creating a culture of risk awareness and accountability.



Our framework is dynamic, undergoing regular reviews and updates to remain responsive to the evolving internal and external conditions. This dynamic approach ensures that our risk management practices are always aligned with the current risk landscape and TECOM Group's changing strategic priorities.

We leverage different tools, techniques and methodologies. This includes an internal risk management platform (ERM software), which enables us to capture, assess, track and monitor risks. This centralised repository maintains documents, assigns duties and tasks, generates reports and tracks progress.

To ensure that risks are appropriately identified, assessed and mitigated, we also leverage different techniques and methodologies, including setting and monitoring KRIs, which are a vital part of trend analysis and identifying emerging risks. The Risk Management process is illustrated beside:

Incorporation of ESG in Risk Management

TECOM Group has integrated ESG considerations into our Enterprise Risk Management (ERM) framework. This strategic initiative ensures the incorporation of ESG principles across all business operations while proactively managing the associated risks.

During the risk assessment process, every identified risk underwent a thorough assessment from an ESG perspective, shedding light on the nuanced impacts that these risks may have on our ESG commitments. This approach not only strengthens our risk management capabilities but also aligns with our broader commitment to sustainability, ensuring that ESG considerations are woven into the fabric of our organisational resilience and growth.

Risk Identification and Assessment

Our approach to risk identification and assessment is comprehensive and systematic. This continuous process allows us to promptly identify emerging risks and adjust our strategies accordingly. Our risk assessments consider both the likelihood of occurrence and potential impact, enabling us to prioritise risks effectively and allocate resources where they are most needed.

Each Department and business district has its risk register, which is reviewed on a regular basis and monitored continuously. Further, we have developed a corporate risk register through collaboration with Senior Management and other stakeholders. The corporate risk register includes the key financial, strategic, operational and compliance risks that could have an impact on the organisation. The Risk Committee reviews the corporate risk register on a quarterly basis before it is presented to the Board.

Risk Appetite and Tolerance

The Board is responsible for defining the level of risk that the Group is willing to take and ensuring it remains in line with our strategy. The risk appetite differs for each risk and varies between the different categories of risks.

The risk appetite reflects TECOM Group's risk management philosophy and, in turn, influences culture and operating style.
To embed risk appetite effectively in the business, management must establish limits and thresholds for the key risk indicators associated with each risk. Our corporate risk register outlines these Key Risk Indicators (KRIs), which are monitored regularly against thresholds set for our key risks. These risks are aligned with TECOM Group's strategy.

Risk Mitigation and Treatment

To mitigate identified risks, TECOM Group implements a range of strategies tailored to the nature and severity of each risk. These strategies include, but are not limited to, risk avoidance, reduction, sharing, and acceptance.

Risk owners are accountable for confirming that adequate controls are in place and that the necessary treatment plans are implemented to bring the risk within an acceptable tolerance level.

We continue to monitor the status of our risk treatment plans throughout the year and report on their progress to the Risk Committee and the Board regularly.

Principal Risks Overview

Our principal risks consist of the ten most significant internal and external risks. The identified list of principal risks is not an exhaustive description of all possible risks but rather a snapshot of TECOM Group's main risk profile.

TECOM Group's overall risk profile has not significantly changed compared to 2023. Nevertheless, there have been minor changes in risk movements and an addition of new risks. The Board has finalised its assessment of these risks and any changes to the residual risk profile during the year.

The table beside summarises TECOM Group's internal and external principal risks, showing how each links to our strategic objectives.

Principal Risks	Strategic Objectives: Optimise Core Business & Performance	Strategic Objectives: Develop Differentiated Value Proposition	Strategic Objectives: Build New Sources of Growth	Risk Change
1 Market Competition	•	•	•	Increase
2 Market and economic volatility	•	•	•	Decrease
3 Cybersecurity threats	•			Increase
4 Geopolitical instability	•	•	•	Increase
5 Ageing assets	•	•		No change
6 Asset performance	•	•	•	Decrease
7 Extreme weather conditions and climate change	•			Increase
8 People risk	•	•		No change
9 Regulatory changes	•			No change
10 Development projects		•	•	No change

Strategic Pillars

- Optimise Core Business & Performance
- Develop Differentiated Value Proposition
- Build New Sources of Growth

Risk Change

- Increase
- Decrease
- No change
- New

1 Market Competition

Strategic Objective

Optimise Core Business & Performance; Develop Differentiated Value Proposition; Build New Sources of Growth

Risk Movement

Increase

Risk details

We operate in a competitive market that is likely to become more competitive in the future. Companies with commercial properties compete to attract customers based on rental rates, operating costs, location, condition and features of the property.

Controls and Mitigations

- The Board reviews the growth strategy that considers future competition, in addition to periodic review of our pricing strategy to be dynamically adjusted based on the market conditions and landscape.
- Market intelligence reports are issued to Senior Management quarterly, monitoring and providing insights into the market and competition landscape.
- Introduction of Innovative and alternative products to customers.
- Strengthen customer loyalty by enhancing customer experience wherever possible.
- A new Strategic Acquisition and Development Plan has been developed and approved, which will help TECOM expand its assets and portfolio base.
- TECOM has been engaged in hosting several events to increase awareness and attract new customers and business partners.

2 Market and Economic Volatility

Strategic Objective

Optimise Core Business & Performance; Develop Differentiated Value Proposition; Build New Sources of Growth

Risk Movement

Decrease

Risk details

Changes in the macroeconomic environment can pose risks and opportunities, and they may adversely impact our cost base, pricing strategies, profitability and market share.

Controls and Mitigations

- Continuous monitoring of market economic trends and metrics and sector performance (Real Estate, Industrial, Warehouses, Startups, SMEs, etc.).
- Continuous monitoring and review of products and pricing structures across all products and brands to sustain the current high occupancy and avoid potential revenue loss due to long vacancy periods.
- Detailed Market Intelligence reports are issued quarterly to Management to support decision-making and forecasting.
- Treasury risk management to mitigate against any adverse movements in financial markets.

3 Cybersecurity Threats

Strategic Objective

Optimise Core Business & Performance

Risk Movement

Increase

Risk details

Cyber-attacks and security breaches may threaten the integrity of our intellectual property and other sensitive information and disrupt operations and activities.

Controls and Mitigations

- Several preventive security IT controls are implemented and active to protect our IT networks and infrastructure.
- An Information Security Incident Response Plan is in place and will be activated in case of any incidents or threats to identify the necessary procedures.

Strategic Pillars

- Optimise Core Business & Performance
- Develop Differentiated Value Proposition
- Build New Sources of Growth

Risk Change

- Increase
- Decrease
- No change
- New

4

Geopolitical instability

Strategic Objective

Risk Movement

Risk details

Geopolitical instabilities in the region can impact business sustainability, create barriers for companies and people, and disrupt global supply chain activities.

Controls and Mitigations

- Due to changes in commercial trading dynamics, we are adopting a proactive practice of monitoring and recording all geopolitical matters through available channels.
- The impact of geopolitical instabilities/events is discussed and assessed with the Crisis Management Committee, and proactive measures are taken when needed to monitor and mitigate any adverse impact (e.g., pricing strategies, treasury management, etc.).
- Business Continuity and Disaster Recovery plans are established and updated based on recent changes in the market and organisation.

5

Ageing Assets

Strategic Objective

Risk Movement

Risk details

Ageing assets present a progressively increasing threat to operational efficiency and financial performance. Ageing assets consume more resources and capital, reducing customer appeal, and risking non-compliance with latest industry standards, potentially harming the company's reputation and market competitiveness.

Controls and Mitigations

- Developing programmes of enhancement by analysing risk-related assets in seeking applicable improvements to extend asset life.
- Proactive maintenance schedules.
- Monitoring overall performance of ageing assets and regular reporting on progress and results.

6

Asset Performance

Strategic Objective

Risk Movement

Risk details

Structural changes in customer and business expectations leading to changing demand for office space could adversely affect underlying income, rental growth and asset performance.

Controls and Mitigations

- Asset performance is monitored through live dashboards and reported on a monthly basis to Management and on a quarterly basis to the Board.
- Regularly review and update of pricing policy and product positioning based on market trends, competitor benchmarking, and the nature of the asset.
- Introduction of Innovative and alternative products to customers.
- Enhanced market insights and intelligence reports to support our business decisions.

7

Extreme Weather Conditions and Climate Change

Strategic Objective

Risk Movement

Risk details

Climate change is driving the increasing frequency and intensity of catastrophic weather events, which pose a significant risk to TECOM Group's operations and assets. Climate change exacerbates extreme weather events such as flash floods, prolonged heatwaves, sandstorms, and rising sea levels.

Controls and Mitigations

- Crisis Communication policy is in effect and shall be followed upon the incident occurrence
- A Crisis Management committee, chaired by the CEO, is in place and will be formed in case of any potential or occurring crises.
- Regular evacuation drills are carried out to ensure the readiness of employees in case of any incidents.
- An Alert mechanism is in place to alert employees of possible threats and weather conditions and provide guidance and contacts for assistance and support.
- Engineering and Facilities Management, in coordination with our security team, take necessary measures to ensure the safety of our employees and business partners and reduce the impact of incidents on our assets.

8

People Risk

Strategic Objective

Risk Movement

Risk details

The inability to attract, develop and retain talent impacts our ability to achieve our strategic objectives and grow enterprise value.

Controls and Mitigations

- Human Capital follows an effective retention strategy thereby maintaining low employee turnovers.
- Internal initiatives to champion diversity and inclusion, social impact and employee wellbeing.
- A succession plan has been developed and regularly reviewed for senior and critical roles.
- Employees' performances are reviewed and rewarded on an annual basis.
- Remuneration plans are developed for key roles.

9

Regulatory Changes

Strategic Objective

Risk Movement

Risk details

Non-compliance with relevant laws and regulations resulting in potential reputational damage and financial penalties.

Controls and Mitigations

- Embedded legal and compliance teams supported by external legal experts as needed.
- Compliance Committee overviews the regulatory changes that have any impact on our business and operations on a regular basis
- Dedicated Ethics & Compliance programme, including Code of Conduct, compliance policies and procedures, annual compliance training, and whistleblowing programme.
- Compliance reviews and audits are carried out across the organisation to ensure compliance with laws and regulations.

10

Development Projects

Strategic Objective

Risk Movement

Risk details

Our existing development or future planned projects may be delayed, suspended, terminated, or materially changed in scope.

Controls and Mitigations

- Continuous monitoring of project timelines, progress and cost management and report any major issues or variations that could have a negative impact on the delivery schedule.
- Response plans are in place to address any major events and arising risks.
- Robust contractor prequalification and selection of a proper consultant to supervise the performance of the contractor

Together, we create lasting value

We prioritise cultivating strong partnerships with our stakeholders, aiming to foster meaningful connections and create lasting value. Our approach is carefully tailored to the specific needs and contexts of each stakeholder group, ensuring open communication and collaboration that drives mutual success and shared aspirations.

Stakeholder Group	Our Employees	Our Customers
Who are they?	All individuals employed by TECOM Group.	People and businesses using TECOM Group's services.
Why do they matter?	A motivated and engaged workforce is essential for delivering value across all stakeholder groups. Their contributions enhance productivity, drive innovation, and ensure customer satisfaction.	Customers are the cornerstone of our operations, shaping our reputation and driving revenue. Their feedback is instrumental in guiding service improvements and innovation.
What do they want from TECOM Group?	Employees seek fulfilling careers, opportunities for professional growth, competitive compensation, recognition, and a supportive work environment that values diversity and inclusion.	Customers expect premium-quality spaces, excellent services, fair pricing, convenience, flexibility, professionalism, and responsiveness to their needs.
How do we engage with them?	• Conduct employee satisfaction surveys and implement improvement initiatives. • Facilitating communication through internal platforms like intranet and email. • Offering relevant training programmes for skill development. • Promoting wellness through sports events, health-focused activities, and year-round initiatives.	• Conducting Voice of Customer (VoC) surveys at key touchpoints to gather actionable insights. • Engaging in regular interviews to better understand their requirements. • Providing targeted updates through various channels to keep them informed about relevant activities.
2024 Highlights	75% >5 years Employee Loyalty 5,515 Employee Trainings Hours	87.1% Customer Satisfaction 8.0% Growth in Number of Customers

Stakeholder Group	Our Partners	Our Community	Our Shareholders
Who are they?	Entities with contractual relationships or shared goals with TECOM Group.	Local neighbourhoods where TECOM operates include residents, professionals, businesses, and government entities.	Everybody who own shares in TECOM Group.
Why do they matter?	Partners contribute significantly to our operations by offering services such as space development, maintenance, regulatory approvals, and license allocation.	Communities enhance our brand reputation while serving as a source of potential customers and skilled talent.	Shareholders provide the capital necessary for investment, operations, expansion, and innovation. Their perceptions influence the company's image and attract new investors.
What do they want from TECOM Group?	Partners value transparent dealings, fair pricing, growth opportunities, long-term relationships, and reliable transactions.	Communities expect positive contributions to social and physical infrastructure, job creation, economic development, and support for local initiatives.	Shareholders seek returns through share price appreciation and dividends while valuing transparency in financial reporting and governance practices.
How do we engage with them?	• Build long-term partnerships to enhance customer service delivery. • Hosting meetings to communicate product or service requirements. • Maintaining an ongoing dialogue with government bodies on national initiatives.	• Creating job opportunities for local talent with annual improvement targets. • Organising charitable events like We Walk and distributing free meals during Ramadan. • Hosting networking events, sports challenges, and specialised workshops.	• Hosting quarterly investor calls for results presentations that are accessible online or in person. • Publishing quarterly reports on our website for transparency. • Organising roadshows in collaboration with financial markets and banks. • Conducting an annual general assembly event for investors.
2024 Highlights	100% On Time Payments	4 Number of CSR Events 12,000 Number of Iftar Meals Donated	9 Analysts Coverage 60 Investor Meetings and Roadshows

Environmental, Social and Governance

A commitment to balancing growth with meaningful societal and environmental contributions.

About This Report

TECOM Group PJSC is dedicated to aligning responsible business practices with sustainable development goals, showcasing its commitment to Environmental, Social, and Governance (ESG) principles. The 2024 ESG report highlights progress across the Group's operations, reflecting a commitment to balancing growth with meaningful societal and environmental contributions.

This report summarises TECOM Group's ESG journey to date. Key sections include:

- **Overview** – An in-depth look at TECOM Group's ESG Framework, associated policies, governance practices, and stakeholder management.
- **ESG Performance Dashboard** – An at-a-glance summary of progress across all material ESG topics, providing key metrics and insights.
- **Approach and Progress on Material Topics** –This is a detailed review of each material topic under TECOM Group's five ESG pillars, covering the management approach, key initiatives, and significant achievements.

TECOM Group's ESG initiatives are firmly rooted in recognised frameworks and disclosures, ensuring transparency and alignment with global best practices. These frameworks include the ESG disclosures recommended by Dubai Financial Market, reference to the Global Reporting Initiative (GRI), disclosures recommended by the European Public Real Estate Association (EPRA), and assessment criteria of the Global Real Estate Sustainability Benchmark (GRESB).

CEO Introduction to ESG

> **Together, we are building vibrant ecosystems that foster innovation, inclusivity, and sustainability, creating shared prosperity and a legacy for future generations."**

2024 was a remarkable year for TECOM Group as we furthered our commitment to shaping a sustainable, inclusive, and innovative future. Following the UAE's Year of Sustainability in 2023 and Dubai's hosting of COP28, we embedded sustainability into our operations, aligning with our priorities and the UN Sustainable Development Goals.

This year, we strengthened our ESG governance by forming an ESG Committee, bringing together leaders to drive accountability and ensure strategic alignment. Additionally, we introduced a comprehensive ESG Policy that defines clear objectives and commitments to guide our sustainability journey. ESG is considered during risk management, supported by proactive measures to monitor and address intense weather conditions, reinforcing our climate resilience.

Environmental stewardship is central to our vision, delivering measurable results and earning recognition. 49% of our commercial portfolio is LEED-certified, while our energy management practices earned recognition from the Dubai Supreme Council of Energy. With a solar capacity of 10.05 MWp, our solar energy generation over the past two years has averaged 7% of our total electricity consumption. Initiatives such as Dubai Can highlight our commitment to resource efficiency and advancing the circular economy.

Our focus on fostering a safe, inclusive, and empowering work environment remained steadfast. We maintained a robust health and safety management system through assessments, audits, and training programmes for employees, customers, and suppliers. With women comprising one-third of our workforce, we demonstrate our commitment to equity and opportunity. We continued to invest in our employees' growth, with training hours averaging 20.3 hours per person, ensuring they are equipped to realise their full potential.

We maintained a consistent dialogue with our customers throughout the year, leveraging their feedback to improve experiences and services. Our diverse calendar of events across all districts provided opportunities for learning and networking, fostering engagement and collaboration among our customers and strengthening our vibrant community. We have also invested in enhancing outdoor spaces across our districts, prioritising customer well-being.

We continued to drive progress through innovation and inclusivity. Our in5 incubator played a key role, supporting 410 active start-ups in 2024, 30% of which are women-owned, showcasing our commitment to fostering an inclusive entrepreneurial ecosystem. Our procurement practices continue to advance, including engagement with SMEs, women-owned businesses, and local suppliers, fostering shared value throughout our ecosystem. In parallel, our social impact initiatives – The Good Store and WeWalk charity walk – continue to deliver meaningful impact.

As we reflect on these milestones, I extend my deepest gratitude to all our stakeholders – employees, customers, investors, and partners – for their unwavering support. Together, we are building vibrant ecosystems that foster innovation, inclusivity, and sustainability, creating shared prosperity and a legacy for future generations.

Abdulla Belhoul
Chief Executive Officer
TECOM Group PJSC

Executive Summary

This year's ESG Highlights showcase our progress across the pillars of Governance, Economy, Community, People, and Environment.

These achievements demonstrate our commitment to reducing our environmental impact, fostering transparent governance, supporting communities, and promoting diversity and well-being. Through strong partnerships, we continue to advance sustainable practices, drive economic growth, and deliver long-term value for our shareholders and customers while making a positive impact across our operations and communities.

Governance

- Developed an ESG Policy outlining objectives and commitments across material topics to guide sustainability efforts.
- A robust ESG governance structure was established, integrating accountability at all levels through the Risk Committee, ESG Committee, and ESG Champions.
- We strengthened organisational resilience through crisis management plans and enhanced monitoring of extreme weather events.

Economy

- Targeted surveys of customer leadership to understand to provide insights on service quality, sustainability, and well-being,
- 7.8% increase in active start-ups under the in5 incubator, totalling 410 active start-ups, up from 380 in 2023.
- 30% active start-ups owned by women.
- 87.1% Customer Experience Index.
- Investments in outdoor space to improve customer well-being.

Environment

- Generated 14.2 GWh of clean energy compared to 12.3 GWh in 2023.
- Achieved 11.8% reduction from energy savings project in 2023 and 2024.
- 321 tonnes of waste recycled.
- 36.3% of waste diverted to a Waste to Energy Plants.
- Achieved 12 new LEED certifications, including 8 Gold and 4 Platinum rated buildings.

Community

- Invested AED 1.4 million in CSR activities, including WeWalk charity walk, The Good Store, Pink Caravan and donating meals during Ramadan.
- Partnerships with Emirates Red Crescent, Dubai Charity Organisation and Beit Al Khair Society.
- Raised 268,744 from communities.

People

- 26% Emiratisation rate, up from 24% in 2023.
- 35% female employees, reflecting continued progress in gender diversity.
- 20.3 average hours of training achieved by employees compared to 15.2 in 2023.
- Maintained zero work-related injuries or fatalities.

ESG Overview

TECOM Group's vision is to lead the creation of innovative ecosystems that foster sustainable growth and future development. We are dedicated to building dynamic environments that empower customers and contribute to Dubai's growth. We seamlessly integrate global companies, regional leaders, and SMEs across our specialised 10 business districts in six vital sectors. Our operations span offices, logistics, worker accommodations, and land leasing, supported by essential government and business services for our community.


Dubai Internet City

As a significant player in the built environment, we recognise the impact of our operations and the essential role we play in climate action, addressing the real estate sector's responsibility to reduce emissions and environmental footprints. We aim to drive sustained economic value, social cohesion, and societal progress while preserving environmental, financial, and social value for all stakeholders.

To achieve this, we have established a structured approach to managing ESG within TECOM Group.

ESG Framework and Material Topics	This framework defines key material topics, guiding ESG initiatives toward areas of greatest impact and relevance.
ESG Objectives	Provide a clear roadmap for achieving TECOM Group's sustainability vision, driving progress across all pillars.
ESG Governance	Outlines roles and responsibilities across the workforce, ensuring active engagement in ESG implementation.
Policies supporting ESG and ISO Certifications	This section highlights key policies that support ESG practices within the company, including our ESG Policy, which formalises commitments across all material topics, ensuring accountability and consistency in practices.

These elements underscore TECOM Group's commitment to responsible growth and a sustainable future for all.

ESG Framework and Material Topics

At the heart of TECOM Group's operating model and sustainability efforts is its ESG Framework, organised around five pillars – Governance and Risk, Economy, Community, People, and Environment. TECOM Group's ESG approach aligns with national strategies, including the Dubai Clean Energy Strategy 2030, UAE Net Zero 2050 Strategy, the UAE Green Agenda 2030, and global standards like the United Nations Sustainable Development Goals (UNSDGs). The framework identifies 14 material topics within these pillars, highlighting areas with the most significant impact on the Group's sustainable operations and performance. TECOM Group is committed to managing these topics to achieve its ESG objectives.

Our Core ESG Pillars

Governance & Risk

- Ethical business practices
- Robust governance
- Prudent risk policies and management
- Responsible sourcing and procurement

→ Read more on page 106

Economy

- Economic performance
- Incubating innovation
- Customer centricity

→ Read more on page 108

Environment

- Energy efficiency
- Water efficiency
- Waste management
- Reducing GHG emissions

→ Read more on page 119

Community

- Investing in local communities

→ Read more on page 113

People

- Safe and healthy workplaces
- Training and development

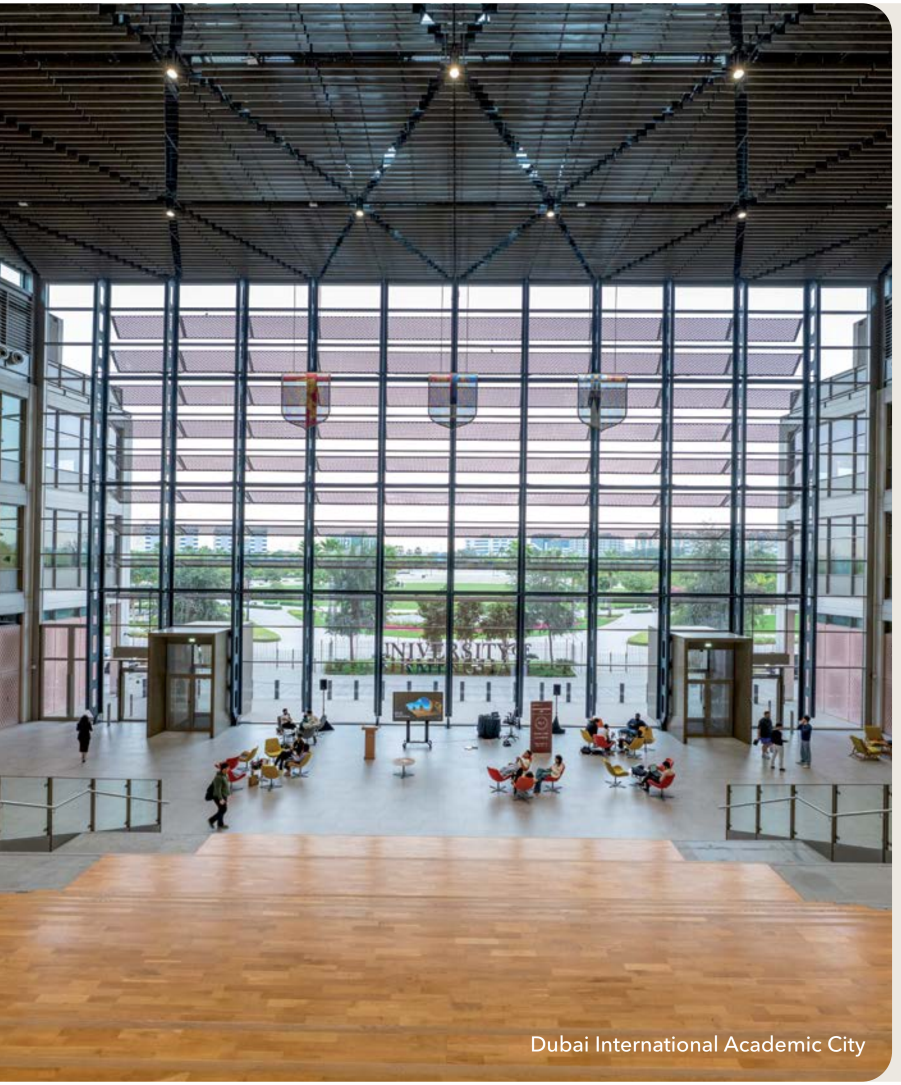
→ Read more on page 116

Strategic Objectives

- Optimise Core Business and Performance
- Develop a Differentiated Value Proposition
- Build New Sources of Growth

→ Read more about Strategic objectives on page 44

ESG Objectives



Dubai International Academic City

ESG Objectives

TECOM Group's objectives towards ESG, outlined in its ESG Policy, are as follows:

- Promote robust governance and ethical standards in line with our Code of Conduct, expecting the same from our suppliers and partners.
- Pioneer environmental stewardship within the commercial real estate sector in the UAE by promoting efficient and responsible consumption of natural resources, minimising our environmental impact, and continuously improving energy efficiency.
- Build a resilient portfolio by investing in high-quality, sustainable infrastructure to mitigate climate risks, including natural hazards and extreme weather events.
- Engage in and advocate for global climate action initiatives by actively working towards reducing our carbon footprint.
- Ensure the health, safety, and well-being of our employees, customers, and suppliers while fostering a diverse and inclusive workplace and business environment that ensures fair treatment for all.
- Invest strategically in employee development, empowering them to realise their full potential.
- Create sustainable and inclusive spaces that deliver long-term social value for customers and communities.
- Establish sustainable supply chains by working with our suppliers and, prioritise support for women-owned businesses and SMEs, including those within our start-up incubators.
- Contribute to community development initiatives that benefit society at large while promoting responsible living and fostering healthier lifestyles.
- Ensure ongoing compliance with evolving ESG regulatory standards.
- Maintain consistency, transparency and reliability in measuring and communicating our ESG impacts and expand on our reporting frameworks periodically.
- Foster strong stakeholder relationships to drive ESG initiatives forward.

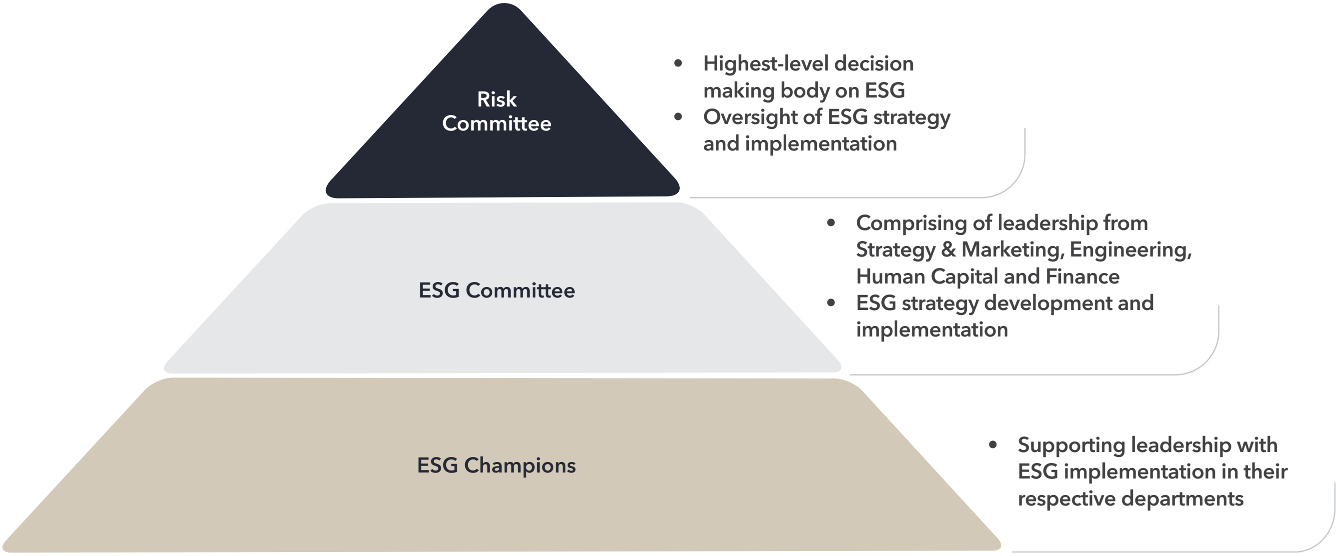
These objectives are designed to guide TECOM Group in achieving its vision of leading the curation of innovative ecosystems that drive sustainable growth and future development.

They also shape the Group's commitments across each material topic outlined in its ESG Policy and this report, ensuring a cohesive approach to creating value for stakeholders and fostering a resilient, sustainable future.

ESG Governance

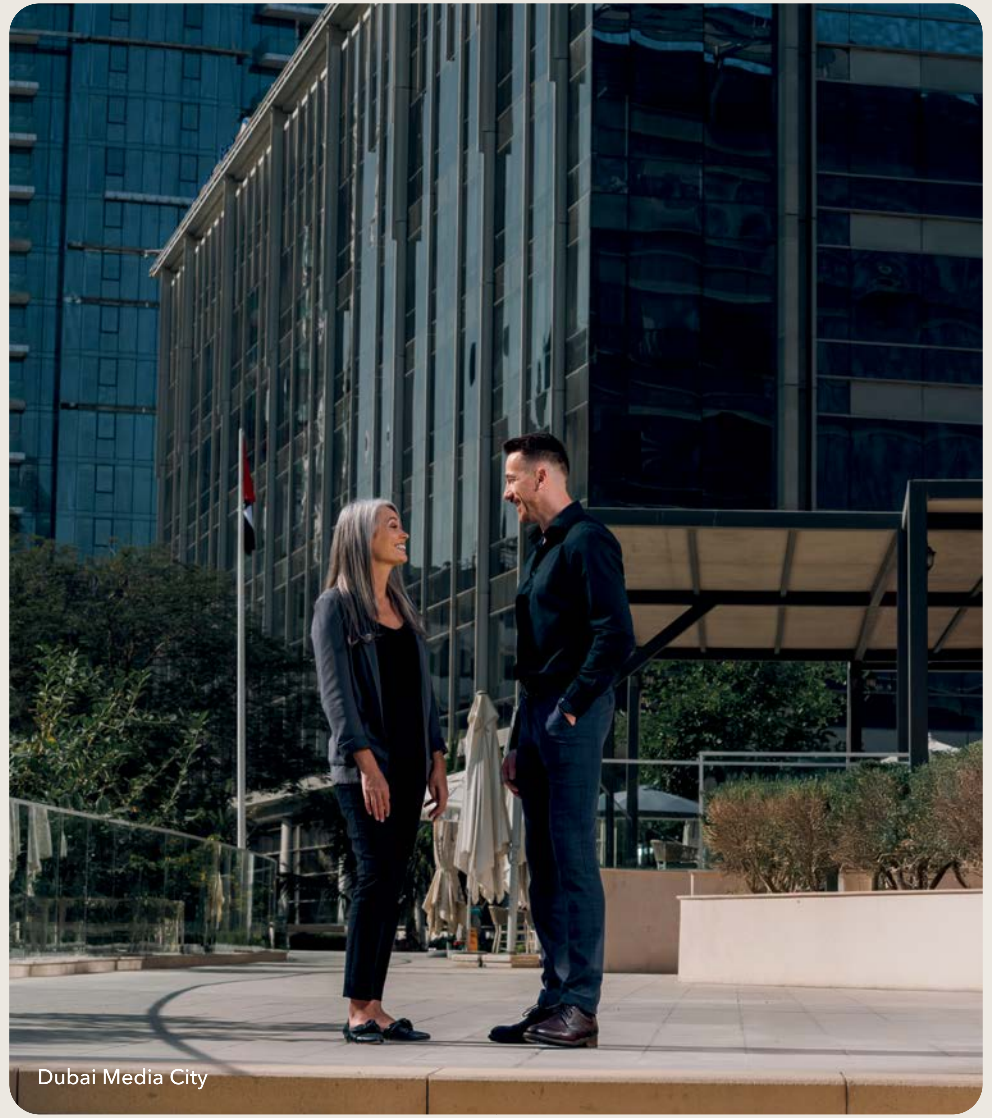
In 2024, TECOM Group established its ESG Governance structure to support effective ESG implementation. This governance framework provides a clear, tiered approach for decision-making, oversight, and executing ESG initiatives, ensuring that ESG objectives are achieved transparently and cohesively.

- At the top of this structure, the **Board Risk Committee** serves as the primary decision-making body, overseeing ESG implementation by monitoring objectives, strategies, and associated risks.
- The **CEO** plays a pivotal role in reviewing and guiding ESG strategy and governance, receiving quarterly updates from the ESG Committee to ensure alignment with TECOM Group's broader objectives.
- The **ESG Committee,** led by the Senior Vice President of Strategy and Marketing and composed of senior leaders across Engineering, Human Capital and Finance, are accountable for ESG implementation and offers essential coordination and strategic recommendations to drive ESG performance.
- Supporting this governance structure, **ESG Champions** within each department actively work with the ESG Committee to implement initiatives, track progress, and address barriers, fostering an integrated culture of sustainability throughout TECOM Group.



ESG governance is structured to align with broader risk management and strategic objectives, embedding accountability and continuous improvement across all levels of the organisation. ESG KPIs have been integrated into selected departments to strengthen accountability, directly linking them to bonus incentives. This ensures that ESG priorities are embedded within daily operations, motivating teams to deliver measurable outcomes and reinforcing the importance of achieving set objectives.

Policies supporting ESG and ISO certifications


Dubai Media City

TECOM Group's commitment to fostering a responsible and sustainable business environment is reflected in its comprehensive policies and globally recognised certifications. These policies ensure the Group operates with integrity, prioritising sustainability, employee and customer well-being, and environmental stewardship in all aspects of its business.

The following policies serve as the foundation for its responsible operations and workforce practices. Each policy embodies the Group's dedication to ethical governance, employee well-being, and environmental stewardship, providing a structured approach to achieving its ESG objectives.

ESG Policy
TECOM Group's ESG Policy underpins its commitment to embedding sustainability throughout its operations, supporting a business model geared towards growth, resilience, and sustainable development. Updated in 2024, this comprehensive policy outlines the Group's strategic approach to material ESG matters, setting defined objectives that integrate sustainability across all operational areas. The policy addresses 14 material topics aligned with the ESG Framework, focusing on responsible business practices, environmental stewardship, and social responsibility. To drive accountability and progress, a robust governance structure is in place to support and oversee the implementation of these commitments.

Human Capital (HC) Manual
The Human Capital Manual establishes fair and consistent practices for managing TECOM Group's workforce and ensures a supportive, equitable work environment. It includes key policies on recruitment, leave, compensation, benefits, and allowances, alongside comprehensive guidelines for employee development. The manual also encompasses the company's Code of Conduct and grievance mechanisms, promoting ethical behaviour, addressing workplace concerns, and supporting career growth. These policies are a foundation for fostering a motivated and empowered workforce aligned with the Group's values.

Health, Safety and Environmental (HSE) Policy
TECOM Group's HSE Policy ensures the highest occupational health, safety, and environmental responsibility standards across its operations. This policy is designed to comply with all applicable HSE regulations while adhering to the Group's rigorous internal HSE management standards. Through this policy, TECOM Group aims to protect the well-being of its employees and the environment, actively minimising risks and fostering a safe, responsible work environment that prioritises sustainability in all operations.

Business Continuity Management Policy
The Business Continuity Management Systems (BCMS) Policy ensures TECOM Group's comprehensive oversight of business continuity and crisis management across all departments. Its purpose is to ensure TECOM Group can continue delivering services with minimal impact and within predefined recovery time objectives during disruptions. The BCMS is implemented through a robust framework that includes the BCMS Manual, Business Continuity Plans (BCPs), Crisis Management Plan, and Crisis Communication Plan. Aligned with TECOM Group's mission to create innovative ecosystems that support Dubai's economic aspirations, the Policy covers Business Districts, centralised corporate functions, and critical third parties. The BCMS Policy highlights TECOM Group management's commitment to operational resilience, ensuring it is effectively communicated, understood, and regularly reviewed to safeguard business continuity.

HSE Community Guidelines
The Community Guidelines is a comprehensive document for all customers, outlining mandatory requirements and best practices for maintaining a safe, sustainable, and well-managed environment within TECOM Group assets. It encompasses key health, safety, and environmental aspects, including emergency response protocols, operational risk management measures, and water and waste management guidelines. Customers are required to acknowledge the guideline, ensuring alignment with TECOM Group's standards for safety and sustainability.

ISO Certifications
TECOM Group is proud to be certified under ISO 14001 and ISO 45001, which reflect its dedication to environmental management and occupational health and safety. These certifications serve as a cornerstone for the Group's ESG objectives, reinforcing its commitment to maintaining the highest standards of sustainability and employee well-being.

2024 ESG Performance Dashboard

The 2024 ESG performance dashboard is a vital tool, reflecting TECOM Group's achievements in embedding sustainability across the core pillars of Governance, Economy, Community, People, and Environment.

Each highlight illustrates our progress toward transparent governance, robust economic growth, and impactful community contributions. It also reflects ongoing efforts and dedication to nurturing a diverse and inclusive workplace while adopting sustainable practices that reduce environmental impact.

The dashboard provides a comprehensive view of ESG impact in 2023 and 2024, underscoring TECOM Group's commitment to creating value for all stakeholders – including communities, employees, shareholders and the planet. It is a benchmark for driving continuous improvement towards a sustainable future and highlights our commitment to transparency and accountability.

Material Topic	2023 Achievements	2024 Achievements
Pillar 1 – Governance and Risk		
1 Ethical Policies & Business Practices	• 100% of employees briefed and educated on the Code of Conduct. • Work towards further strengthening mechanisms for data privacy.	• 100% of employees briefed and educated on the Code of Conduct. • Data Privacy Policy in place.
2 Robust Governance	• ESG initiatives being tracked (e.g., utilities, solar, employee training, etc.).	• ESG Governance set up. • ESG Policy developed.
3 Prudent risk management	• ERM integrated with ESG; all business risks assessed for ESG.	• Extreme weather conditions are monitored on a routine basis. • Monitoring of all risks against ESG impacts. • Risk awareness training. • Crisis Management and Communication Plans developed, and trainings undertaken.
4 Responsible Sourcing & Procurement	• Risk assessment of strategic suppliers undertaken by EcoVadis. • 19% spend on local suppliers, and 6% spend on SMEs and women owned businesses.	• Continued risk assessments of suppliers by EcoVadis. • Capacity building for procurement employees and suppliers on sustainability. • 13% spend on local suppliers, and 9% spend on SMEs and women owned businesses.

Material Topic	2023 Achievements	2024 Achievements
Pillar 2 – Economy		
5 Economic Performance	• As part of Group Business Plan 2023-27, Strategic objectives embedded with ESG (2024-28) and ESG activity planning and consolidation are a priority (2023).	• Our ESG initiatives are fully aligned with the Group Business Plan 2023-27, ensuring that sustainability is at the core of our strategic direction.
6 Incubating Innovation	• 380 Active start-ups. • 85 Active start-ups owned by women.	• 410 Active start-ups. • 123 Active start-ups owned by women (44.7% increase from 2023). • in5 start-ups raise AED 7.8 billion. • 1000+ start-ups supported since inception.
7 Customer Centricity	• In 2023, we adopted a new score called Customer Experience (CX) Index in which a 'Likelihood to Recommend' metric was added to the existing 'Satisfaction' measure. This resulted in an increased transactional score of 87.9%. • In addition, in-depth interviews were conducted with a select group of customers to gain a broader understanding of customer experience. When the results of these interviews are incorporated with feedback from the transactional surveys, the Overall CX score was 87.4%.	• At 87.1%, the full year CX score for 2024 was broadly in line with the previous year. • A Mystery Customer study was also conducted to assess the level of service provided to 'prospective' customers. • To maximise reach, in-depth interviews were replaced with an annual online survey focusing on perceived service quality, sustainability and wellbeing. • Investments to improve outdoor spaces for customer wellbeing.
Pillar 3 – Community		
8 Investing in Local Communities	• 7 CSR events undertaken in 2023. • AED 1.4 million CSR spending in 2023. • Donated 12,000 meals during Ramadan. • Raised AED 178,010 from communities. • Initiatives include – The Good Store, WeWalk, Together We Can and the Colon Cancer awareness campaign.	• 4 CSR events undertaken in 2024. • AED 1.4 million CSR spending in 2024. • Donated 12,000 meals during Ramadan. • Raised AED 268,744 from communities (50.9% increase from 2023).

2024 ESG Performance Dashboard continued

Material Topic	2023 Achievements	2024 Achievements
Pillar 4 – People		
9 Safe and Healthy Workspace	• 33% of the workforce are women. • 24% Emiratisation rate, an increase of 3.08% from 2022. • 0 work-related injuries and ill health. • 8x increase in staff trained on H&S. • Employee engagement and recognition programme in place.	• 35% of the workforce are women. • 26% Emiratisation rate. • 0 work-related injuries and ill health. • Cross-functional team mobilised for employee wellbeing and an employee survey was conducted.
10 Training & Development	• 4,200 training hours. • 15.27 training hours per employee.	• 5,515 training hours. • 20.3 average training hours per employee (32.9% increase between 2023-24).
Pillar 5 – Environment		
11 Energy Efficiency & Renewables	• Electricity intensity – 119 kWh/m^2 • District cooling intensity – 286 kWh/m^2 • Solar capacity – 8.34 MWp with a 10.8% increase in solar generation. • 7.2% of electricity consumption was from solar. • 13 EV charging stations.	• Electricity intensity increased by 7.6% compared to 2023. • Like-for-like (LFL) electricity consumption decreased by 0.4%, reflecting consistency in efficiency measures. • LFL diesel consumption increased by 0.4%. • LFL district cooling rose by 3.4%. • Solar generation increased by 15.5%, contributing to 7.7% of total electricity consumption compared to 7.2% in 2023. • 17 EV charging stations added, totalling to 30 EV charging stations across districts.

Material Topic	2023 Achievements	2024 Achievements
Pillar 5 – Environment		
12 Water Efficiency	• Water intensity – 0.86 m^3/m^2 • TSE usage – 1.0 million m^3.	• LFL water consumption increased by 13.8%. • TSE usage – 0.6 million m^3.
13 Waste Management	• 1.5 kg/sq. ft. Waste intensity. • 4.3% of waste is diverted to Waste-to-Energy plant. • The Dubai Can initiative saved 670,174 plastic bottles. • E-waste sculpture installed in Dubai Internet City.	• 1.6 kg/sq. ft. Waste intensity (12% increase between 2023-24). • 36.3% waste diverted to Waste-to-Energy plant. • Dubai Can initiative active.
14 GHG Emissions	• Scope 1 – 1,040.9 tonnes CO_2e. • Scope 2 – 39,665.9 tonnes CO_2e. • Scope 3 – 18,016.9 tonnes CO_2e.	• Scope 1 emissions includes Diesel and refrigerants used in cooling systems, increased by 56.9%. • Scope 2 emissions, including electricity and district cooling consumption in offices and common areas, decreased by 2.5% reflecting the strength of energy efficiency measures. • Scope 3 emissions decreased by 21.3%, reflecting impact of diverting waste to waste-to-energy plants.
15 Sustainable Buildings	• 8 new LEED Gold Certifications. • Total 30 buildings LEED-certified by TECOM Group, of which 2 Platinum, 22 Gold and 6 Silver certified. • 1 building LEED certified by customer.	• 12 new LEED certified buildings, of which 4 Platinum and 8 Gold certified. • Total 43 LEED-certified buildings, of which 6 Platinum, 30 Gold and 7 Silver certified. • 49% of the Commercial portfolio is LEED certified.

Governance and Risk

This pillar emphasises the rigorous management of business practices, governance procedures, and ethical conduct, forming the cornerstone of organisational integrity and sustainability commitments.

1. Ethical Business Practices and Policies

Commitments	Initiatives and Achievements
• We continue to uphold the highest standards of ethical conduct, ensuring compliance with all applicable laws and regulations and meeting stakeholder expectations. • We strive to implement and monitor the tenets of our Code of Conduct, including Business Ethics, Regulatory Compliance, Market Misconduct, Anti-bribery and Corruption, Anti-competitive Behaviour, Conflict of Interest, Gifts, Responsible Communication, Anti-money Laundering, and Data Protection.	Approved by the Audit Committee, the Code of Conduct outlines ethical standards for employees, covering business ethics, regulatory compliance, anti-bribery and corruption, conflict of interest, and data protection. It provides clear guidance to help employees navigate ethical dilemmas and comply with internal policies and legal requirements. To support ethical transparency, a confidential whistleblowing hotline is maintained. This hotline offers a secure and anonymous channel for reporting concerns or misconduct, reinforcing a commitment to accountability and integrity within operations. Grievance procedures outlined in the Human Capital Manual provide employees with a formal process for raising and resolving workplace concerns. These mechanisms uphold a fair and constructive environment, reflecting a dedication to ethical integrity and employee support. Employees are informed of the Code of Conduct requirements upon joining the Company by signing off on the Code of Conduct. Regular internal refreshers, including internal communications, are provided to reinforce our expectations. Employees must acknowledge the Code of Conduct annually, reinforcing our commitment to integrity and ethical practices.

2. Robust Governance

Commitments	Initiatives and Achievements
• We ensure that robust governance forms the cornerstone of our corporate strategy, instilling trust and confidence in our investors and partners while facilitating long-term growth. • We establish our ESG Governance framework to integrate sustainability seamlessly into our decision-making process.	These initiatives highlight TECOM Group's commitment to fostering resilience and delivering long-term positive impacts in its communities. TECOM Group's Governance Framework ensures compliance with applicable rules, regulations, and international best practices. It emphasises Accountability, Responsibility, Fairness, and Transparency, as outlined in the Governance Guide, to provide strategic guidance, effective management oversight, and Board accountability to the Company and shareholders. Aligned with its commitment to robust governance, TECOM Group regularly updates key policies within the framework to ensure compliance with the revised Governance Guide. Guided by the Board Charter, the Board oversees the framework's effectiveness and makes amendments as needed. The Board holds ultimate responsibility for strategic, financial, and reputational matters, providing leadership to achieve the Company's vision and goals except for those matters reserved for shareholder approval (see Corporate Governance section). In 2024, TECOM Group developed an ESG governance structure and policy to guide strategic ESG integration. This governance structure is designed to support sustainable growth by embedding ESG considerations at all levels of the workforce, reinforcing transparency, accountability, and ethical conduct across operations (see sections ESG Policy and ESG Governance).

3. Prudent Risk Management

Commitments	Initiatives and Achievements
• We ensure that risks are continuously identified, assessed, mitigated, reported, and monitored to safeguard our organisation's future. • We focus on making our portfolio climate-resilient. • We enhance ESG integration in our Enterprise Risk Management (ERM) Framework.	In 2023, significant strides were made to strengthen the risk management approach by embedding ESG considerations within the ERM Framework. This strategic initiative aims to proactively manage risks tied to ESG factors, ensuring a resilient and sustainable operational framework. During the risk assessment process, each identified risk was evaluated through an ESG lens, revealing that 63% carry moderate to significant impacts from an ESG perspective. Additionally, ESG management was recognised as a principal risk, underscoring the importance of ESG risk management. General risk awareness training was conducted extensively for employees in 2024, equipping them with the tools to assess and manage risks effectively. In 2024, TECOM Group introduced Crisis Management and Communication Plans as part of its Business Continuity Management Systems (BCMS). These plans prioritise the safety of employees, customers, and the community while protecting the environment, assets, operations, and reputation. Governed by the Crisis Management Committee and supported by departmental champions, they ensure effective responses and pathways to mitigate impacts during crises. Trainings were also undertaken for Business Continuity and Crisis Management for Responsible Stakeholders. Proactive measures have been consistently implemented to address climate-related physical risks, reflecting a commitment to preparedness and resilience. In response to the extreme weather event in April 2024, additional assessments were conducted, resulting in the development of targeted mitigation measures to minimise future impacts. These actions are part of a broader strategy to enhance resilience against intense weather events and ensure operational excellence). Furthermore, routine monitoring of extreme weather conditions and tracking all risks against ESG impacts were also initiated in 2024.

4. Responsible Sourcing and Procurement

Commitments	Initiatives and Achievements
• We manage the impact on our supply chains by incorporating ESG principles into our procurement processes, including prequalification, and collaborate directly with our suppliers to enhance our ESG performance. • We prioritise integrating women-owned businesses and SMEs, including in5 participants, into our supply chain.	TECOM Group remains committed to sourcing products and services in an ethical and sustainable manner, with a focus on minimising the impact of operations on global supply chains. To advance these efforts, thorough assessments of strategic suppliers have been conducted using the industry-leading EcoVadis rating system. This rigorous methodology evaluates key criteria, including environmental performance, labour and human rights, ethics, and sustainable procurement, establishing a high benchmark for sustainability across the supply chain. Clear targets have been set for these assessments over the past two years to drive progress and accountability. In 2024, supplier prequalification processes incorporated selected ESG criteria, with bonus points awarded for meeting these requirements. Capacity-building initiatives were also introduced through the EcoVadis Academy, engaging suppliers and procurement employees in training programmes covering topics such as sustainable procurement, labour rights, and environmental management.

13%
Spend on local suppliers in 2024

9%
Spend on SMEs and women owned businesses

Economy

This pillar reinforces economic efforts, reflecting a commitment to sustainable growth and resilience.

4 QUALITY EDUCATION
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

5. Economic Performance

Commitments	Initiatives and Achievements
• Our Group's Business Plan integrates ESG factors into our strategic objectives. • We align with global ESG regulatory requirements and best practices, such as SFDR and GRESB assessments, and diligently work towards achieving these objectives in the most effective manner possible.	The financial performance in 2024 highlights TECOM Group's robust economic resilience and operational efficiency. Total revenue reached AED 2.40 billion, reflecting market strength, while EBITDA of AED 1.85 billion demonstrates prudent cost management. Net profit of AED 1.23 billion further underscores a commitment to delivering stakeholder value and maintaining a solid financial foundation for future growth. These indicators reflect a sound financial strategy, reinforcing the Group's position as a sustainable and resilient business. The 2024-28 Business Plan integrates sustainability by embedding ESG factors within core strategic objectives, highlighting the vital role of ESG in the long-term vision. In 2024, the ESG strategy and initiatives were aligned with the Business Plan, establishing a strong foundation for effective implementation and enhanced stakeholder satisfaction.

6. Incubating Innovation

Commitments	Initiatives and Achievements
• We provide support to the companies in our incubation programme, in5, through training, mentorship, and advisory services aimed at enhancing their stability and success. • We strive to enhance their access to investment and development opportunities, including exposure to our own supply chain ecosystem and subsequently, our customer networks as well.	Since its launch in 2013, the in5 incubator has become a cornerstone of TECOM Group's commitment to fostering innovation and creativity within the entrepreneurship sector in the UAE. Providing a nurturing environment with mentorship, advisory services, and access to essential facilities, in5 has empowered a diverse community of students, entrepreneurs, and professionals across key sectors like technology, media, design, and science. In 2024, in5 supported 410 start-ups, of which 30% was owned by women, reflecting its focus on inclusivity and diversity. Over 160 new start-ups have registered this year, demonstrating the significant appetite for in5's incubation services and its ongoing support for the entrepreneurial ecosystem in the UAE. The addition of in5 Science and D/Quarters at Dubai Science Park expanded support for innovation by providing access to a world-class community of researchers and industry leaders and co-working spaces for entrepreneurs, SMEs, and multinational corporations. In 2024, in5 hosted 130 tailored events for start-ups, focusing on skill development, networking, funding, and global exposure to support entrepreneurial growth (See case study in5 events). in5 also nurtures innovative start-ups driving sustainability in construction, renewable energy, food waste, and the sharing economy (see case study Incubating Sustainable Start-ups). Since its inception, in5 has supported over 1,000 start-ups, raising AED 7.8 billion in funding. These achievements underscore the dedication to creating an inclusive, thriving entrepreneurial ecosystem that drives economic growth while promoting diversity and social impact.

Case study
Incubating Innovation

in5 events

The dynamic start-up incubator, in5, curates an array of events designed to foster innovation, skill development, and networking within a thriving community of entrepreneurs.

130
events held in 2024, each tailored to address the unique needs of start-ups

In 2023, 102 events were organised for in5 start-ups, with an additional 130 held in 2024, each tailored to address the unique needs of start-ups. These events cover essential themes for entrepreneurial growth, including skill development sessions that enhance technical capabilities and technology and industry insights to keep start-ups at the forefront of innovation.

Entrepreneurial education and networking events connect founders with industry leaders and potential collaborators, while funding and investment workshops provide crucial links to investors and mentors. Creativity and branding sessions help start-ups refine their brand storytelling and aesthetics, and global exposure opportunities offer insights into international markets and foster partnerships. This tailored support equips in5 start-ups to navigate the challenges of entrepreneurship effectively, preparing them to thrive in an ever-evolving business landscape.

Case study
Incubating Innovation

Incubating Sustainable Start-ups

At in5, start-ups that champion sustainability and address critical environmental challenges through innovative solutions are nurtured and supported.

One such venture, Bilquis, is revolutionising the construction industry by developing green cement and concrete, reducing CO_2 emissions and promoting sustainable building practices. Similarly, CODE2 supports the transition to Net Zero with a digital platform that tracks and incentivises sustainable actions among businesses and customers, accelerating carbon reduction efforts.

The renewable energy platform Orisun connects developers and investors to facilitate clean energy growth, creating accessible opportunities for sustainable development. In the food sector, Takkul minimises food waste in the food sector by connecting consumers with local retailers offering surplus food at discounted prices, fostering sustainable consumption practices. Finally, Swoop champions the sharing economy through a rental marketplace that encourages resource sharing and reduces excess consumption.

Through the comprehensive support provided by in5, these pioneering start-ups are empowered to drive positive environmental impact and advance a sustainable future across industries.

7. Customer Centricity

Commitments	Initiatives and Achievements
• We prioritise the needs and aspirations of our customers by routinely collecting feedback through our Customer Experience (CX) Index, incorporating it into our value proposition, and working towards enhancing our CX. • By leveraging partner input, we will improve our facilities, services, and value chains and foster greater collaboration within our network. • We remain committed to incorporating well-being into our Built-to-Suit business segment and refurbishments to ensure the provision of healthy and sustainable spaces.	Customers are central to operational success, and their experience and feedback form the foundation of business strategy. Understanding their needs and expectations enables continuous improvement in facilities, services, and engagement initiatives. Engagement occurs at several key touchpoints, including post-transaction surveys for onboarding, fit-out, customer care, government services portal (axs), facility management, lease renewal terminations as well as industrial land lease and hire of advertising and venue spaces. In 2023, engagement efforts were expanded through in-depth interviews across business districts, providing a comprehensive understanding of customer perspectives across diverse segments and communities. In 2024, to maximise reach, in-depth interviews were replaced with an annual online survey focusing on perceived service quality, sustainability and wellbeing (see case study – Strategic Feedback from Customers). In 2024, the evaluation programme was further broadened with a Mystery Customer study to assess the standard of service delivered to prospective customers. In addition, as in previous years, 928 face-to-face interviews were conducted with those working or studying in our communities to gauge their experience of the available facilities and services as well as uncover any unmet needs. In response to this feedback, action plans were developed across departments to enhance service quality, sustainability, and customer well-being. Feedback is seamlessly integrated into the CX Index, a metric measuring satisfaction levels and the likelihood of positive referrals. At 87.1%, the 2024 CX Index remained broadly consistent with that of the previous years, reflecting ongoing efforts to sustain a consistently high level of customer experience by reinforcing areas of excellence while promptly addressing areas for improvement. A partnership with Siemens was also undertaken to equip customers with advanced tools and sustainability initiatives, driving operational efficiency and competitiveness (see case study – Empowering Customers through Digital Transformation). Additionally, Investments of AED 100 million from 2022-24 were undertaken to improve outdoor environments with cycle tracks, playgrounds, greenery, and enhanced facilities to promote community well-being and sustainability. These efforts underscore TECOM Group's commitment to fostering innovation, sustainable growth, and vibrant urban environments for its customers and communities (see case study – Enhancing Outdoor Spaces for Well-being). These initiatives reflect TECOM Group's unwavering commitment to prioritising the needs and aspirations of its customers by continuously enhancing the customer experience and value proposition.

Case study
Customer Centricity

Strategic Feedback from Customers

In 2023, in-depth interviews across business districts provided insights into customer perspectives, with feedback directly contributing to the CX Index.

In 2024, targeted surveys were conducted with company leadership across all districts, gathering input on perceived service quality, community engagement, sustainability practices, and well-being. These surveys offered insights into management accessibility, the benefits of community events, and alignment between facilities and customer investment. By addressing these key topics, opportunities to enhance services and expand offerings were identified, ensuring alignment with customer needs and expectations.

Case study
Customer Centricity

Empowering Customers through Digital Transformation

Reaffirming its commitment to improving customer satisfaction and driving industry excellence, Dubai Industrial City signed a memorandum of understanding (MoU) with Siemens.

This partnership delivers transformative benefits, including Industrial Technology Transformation Index (ITTI) Assessments under the UAE's Ministry of Industry and Advanced Technology (MoIAT). The collaboration also provides customers access to Siemens' Green Lean Digital Factory Roadmaps, sustainability initiatives, and capacity-building programmes, enhancing operational efficiency and competitiveness. This represents another step in Dubai Industrial City's mission to support sustainable industrial growth in the UAE.

Case study
Customer Centricity

Enhancing Outdoor Spaces for Well-being

In a continued commitment to creating sustainable and vibrant urban spaces, TECOM Group invested AED 16.4 million across its districts in 2024, with a total investment of approximate AED 100 million from 2022 to 2024, to enhance outdoor environments and improve community well-being.

This investment focused on several key landscaping and infrastructure upgrades aimed at fostering more inviting, comfortable, and sustainable spaces. Efforts included expanding greenery across the districts with native ghaf trees, hedges, and ground covers, as well as increasing pocket parks to provide serene spaces for relaxation and informal gatherings, offering customers and visitors peaceful spaces within vibrant urban settings.

A major highlight was the addition of a six-kilometre cycle track in Dubai International Academic City, promoting active lifestyles and sustainable mobility options. In Dubai Science Park and Dubai Studio City, children's playgrounds were installed, offering safe and engaging environments for younger community members. Additionally, sports courts and entertainment facilities were introduced in various TECOM Group areas, encouraging physical activity and fostering community interaction. Modern shades and outdoor furniture were installed across various locations, creating shaded areas for relaxation and comfort. Several urban shelters were also added, offering protection from the elements while encouraging greater use of outdoor spaces. These upgrades were complemented by the installation of water features in landscaped areas to cool down the surrounding temperature, creating a more pleasant and enjoyable atmosphere for visitors.

Lighting upgrades were implemented to extend outdoor usability in the evenings, including building facade lighting, creating visually striking landmarks that contribute to the overall ambiance of the districts.

Parking facilities were also upgraded, with the addition of more parking spaces to accommodate the growing needs of customers and visitors. Major works were undertaken at key locations, including comprehensive upgrades to playgrounds, the addition of new outdoor furniture, and specialised landscaping enhancements at warehouse sites. These improvements enhanced industrial areas' aesthetics while contributing to a greener environment.

These initiatives reflect TECOM Group's dedication to sustainable urban development by transforming outdoor areas into thoughtfully designed, multifunctional spaces that promote community engagement, leisure, and well-being. Through continued investments in landscaping, modern infrastructure, and greenery, TECOM Group remains committed to fostering a vibrant, accessible, and sustainable urban ecosystem for its customers and visitors.

Community

This pillar reflects our dedication to actively improving and empowering the communities where we operate.

8. Investing in Local Communities

Commitments	Initiatives and Achievements
• We continue to extend beyond the confines of our buildings, actively enhancing our communities to become more vibrant and sustainable. • We are committed to investing in CSR initiatives that yield impact, engage our customers, and contribute to community development. • We prioritise specific areas where we can generate significant impact, based on local requirements and our business model, and invest in these areas.	In 2024, TECOM Group demonstrated its commitment to meaningful community impact through various CSR initiatives focused on well-being and sustainability. With a dedicated allocation of AED 1.4 million, these efforts supported multiple projects and donations aligned with a vision for community enhancement. Annually, the 'WeWalk' walkathon is hosted at Dubai Science Park – supporting the Dubai Autism Centre in 2023 and raising awareness for diabetes in 2024 (see case study – WeWalk 2024: Show up for Diabetes). For two years, partnerships with Pink Caravan have promoted breast cancer awareness (see case study – Pink Caravan). Employee engagement in community service was highlighted by the distribution of 12,000 Iftar meals during Ramadan, supporting local well-being. In 2024, "The Good Store," a virtual and 'phygital' donation platform launched in collaboration with Emirates Red Crescent, raised AED 133,695 in 2023-24 to aid those in need (see case study – The Good Store). Since 2023, TECOM Group has partnered with Team AngelWolf to promote inclusion and accessibility for People of Determination, aligning with the UAE's commitment to inclusivity. As part of this partnership, Nick Watson, founder of Team AngelWolf, has hosted the annual WeWalk initiative for the past two years, and Team AngelWolf recently engaged TECOM Group employees at a town hall, sharing insights on fostering inclusivity and building empathy to drive societal change. We also prioritised fostering an engaging and vibrant environment for our customers through a diverse calendar of events. These include industry-focused initiatives such as Creative Brunch, Backyard Talks, and Step Conferences, where customers can participate in panel discussions, keynote sessions, and educational opportunities. Additionally, we organise community-driven activities to celebrate key public holidays and occasions, offering a mix of interactive experiences, F&B offerings, and Instagram-worthy moments during events like UAE National Day, Pink October, Movember, and more. These initiatives highlight TECOM Group's commitment to fostering resilience and delivering long-term positive impacts in its communities.

Case study
Community

WeWalk 2024: Show up for Diabetes

The fifth edition of the WeWalk walkathon, dedicated to raising awareness about diabetes, was hosted at Dubai Science Park in November 2024.

Organised in collaboration with the Dubai Charity Association, the event combined awareness with an engaging, family-friendly day that included fitness sessions, live performances, games, and a vibrant parade. The initiative underscored a commitment to community well-being by promoting physical activity while addressing a significant health issue.

Conducted annually, WeWalk has grown into a prominent platform for social responsibility. In 2024, the event welcomed more than 2,000 attendees, 13 sponsors, and 70 volunteers, raising AED 225,749. This included AED 12,910 in ticket sales, AED 200,000 in cash donations, AED 300,000 in media sponsorship, and AED 100,000 in-kind contributions. Communication efforts expanded WeWalk's community impact, achieving a reach of 6.91 million impressions and an ad value exceeding of AED 5.8 million. Extensive media coverage across top-tier outlets has positioned WeWalk as one of Dubai and the UAE's most impactful charitable events, strengthening its role in fostering health and wellness in the community.

Case study
Community

Pink Caravan

Aligned with the commitment to community health, we continued our partnership with the Pink Caravan initiative in 2023 and 2024.

Pink Caravan, established in 2011 under the patronage of the Ruler of Sharjah, raises awareness about breast cancer and provides critical screening and early detection services. Its hallmark event, the Pink Caravan Ride, travels across all seven emirates to ensure outreach to remote communities. It is supported by a year-round mobile mammography unit offering advanced screening services to underserved areas.

As part of this partnership, Pink Caravan's mobile mammography units were facilitated across several business districts, providing accessible screening opportunities for employees, customers, and the broader community. These efforts enabled 418 individuals to access screening services during this period, contributing to the UAE's vision of improving health outcomes through awareness, early detection, and timely intervention.

Case study
Community

The Good Store

In partnership with Emirates Red Crescent, TECOM Group reintroduced The Good Store in 2024, offering a seamless phygital donation platform that allows individuals and organisations to donate essential items, such as Ramadan food boxes, Iftar meals, Eid clothing, and health packages.

6
awards won at 2023 Middle East PR Association (MEPRA) Awards

AED 133,695
raised for those in need in 2023-2024

Taking over grocery stores, installing pop-up shops, and with roaming shopping trolleys, The Good Store opened in various forms in 2023 across 12 high-density communities to unite Dubai's residents – including TECOM Group's 137,000 strong community – as a force for good during Ramadan. The campaign had a considerable impact, reaching 8.9 million people and raising AED 133,695 for those in need in 2023-24.

The Good Store campaign won six awards at the 2023 Middle East PR Association (MEPRA) Awards, including four Golds for 'Best Business to Business Campaign', 'Best Retail Campaign', 'Best Use of Content/Creative/Editorial/Video' and 'Best Sustainability, Social Responsibility or ESG Campaign'; one Silver for 'Best Campaign in the UAE' and one Bronze for 'Best Use of Digital Communications'.

People

This pillar underscores the focus on nurturing the organisation's most valuable asset – its people. It embodies a commitment to creating a workplace culture that prioritises employee well-being, growth, and development.

9. Safe and Healthy Workspaces

Commitments

- We are dedicated to enhancing employee well-being and satisfaction by continually improving our Health & Safety standards and prioritising employee inclusion and well-being initiatives.
- We ensure that our Health & Safety procedures align with the best available standards, such as ISO 45001, conduct routine training and participate in annual audits.
- We continue to establish a culture of inclusion by implementing our Diversity, Equality and Inclusion (DEI) Strategy through initiatives such as blind recruitment processes, non-discriminative promotion opportunities, and paternal leave.
- We are implementing targeted initiatives and policies to improve employee well-being and ensure a healthy work-life balance.

Initiatives and Achievements

TECOM Group's Health and Safety system, certified to ISO 45001 standards, aligns with internationally recognised occupational health and safety practices. The system ensures comprehensive coverage, applying to 100% of employees, suppliers, and properties, including spaces utilised by customers. The HSE Management System, developed around the Plan-Do-Check-Act (PDCA) cycle, emphasises continual improvement. The requirements are clearly outlined and implemented through the Risk/Environmental Management Procedure and the Competency, Training, and Awareness Procedure. Key elements include robust risk identification and hazard management processes, with work-related hazards assessed through routine and non-routine evaluations, and controls implemented to eliminate or minimise risks.

In 2024, the Injury Rate (IR), Lost Day Rate (LDR), Accident Severity Rate (ASR), and Absentee Rate (AR) were all 0, with no work-related fatalities, reflecting the effectiveness of TECOM Group's commitment to maintaining a safe and healthy workplace. Comprehensive incident reporting and investigation mechanisms are in place to identify root causes and implement corrective and preventive actions.

In 2024, no workplace incidents were reported, and ongoing measures were implemented to maintain a safe and incident-free environment. Regular H&S training is provided to employees to ensure awareness and competency. Additionally, the system complies with all relevant legal and regulatory requirements, ensuring that occupational health and safety remain a priority.

Health and safety management extends to suppliers, ensuring they meet high standards through various oversight mechanisms. Annual audits and frequent on-site inspections are conducted to verify compliance with H&S requirements. In 2024, 100% of suppliers underwent audits or inspections, and H&S training was delivered to supplier teams. A work permit system is implemented for high-risk activities, ensuring enhanced oversight and minimising potential hazards. The organisation actively monitors supplier health and safety practices, and there were no incidents of non-compliance with supplier health and safety standards in 2024.

9. Safe and Healthy Workspaces continued

Initiatives and Achievements

The organisation prioritises customers' health and safety through routine monitoring, inspections, and clear guidelines to ensure safe and sustainable environments. Fire and Life Safety (FLS) requirements are routinely monitored and inspected across all properties to maintain a safe environment. All customers are provided with a community guideline, which they must acknowledge.

This guideline outlines mandatory and best practices for emergency management, operational risk management, and environmental considerations such as water and waste management. A work permit system monitors potential risks within customer activities. In 2024, 1,286 inspections were carried out across all properties, with 100% of assets assessed for health and safety impacts.

Rigorous monitoring and continual improvement measures are deployed to maintain high H&S standards. Performance is tracked through regular audits and assessments, ensuring compliance with ISO 45001 standards. In 2024, two audits were conducted, and a management review was completed to evaluate system performance and identify areas for improvement. Lessons learned from incidents and audits drive enhancements, ensuring the health and safety system evolves to meet TECOM Group's health and safety objectives.

In pursuing gender balance, supportive policies uphold equality and inclusivity in the workplace. Internal targets have been set to ensure strong female representation in the workforce, with women currently making up one-third of the team. Through blind recruitment processes and policies such as paternal leave, there is a commitment to fostering a diverse and inclusive work environment.

Employee well-being remains a priority, and in 2024, a cross-functional team was established to promote health, wellness, and work-life balance. A survey of employees highlighted strong interest in wellness initiatives like yoga, functional training, workshops, after-hours activities, and sports tournaments. Based on these insights, the team developed a Wellness Programme featuring monthly fitness sessions, wellness workshops, and an annual sports tournament. The programme will enhance employee well-being, foster community, and boost satisfaction, with impact monitoring planned throughout the year.

Employee satisfaction initiatives are informed by Gallup surveys, which provide insights into workforce needs and aspirations. These large-scale surveys have revealed factors contributing to a fulfilling work environment, resulting in tailored action plans. Key initiatives include increasing the frequency of team meetings to improve collaboration and implementing mentoring programmes to support professional growth.

0% injury rate

100% assets assessed for H&S

100% suppliers undergo audits or inspections

ISO 45001 certified

10. Training and Development

Commitments

- We are committed to fostering an innovative and engaging work environment where every employee can reach their full potential.
- We invest in employee training throughout the year, aiming to increase our training hours annually to align with industry best practices.
- We commit to offering career accelerator programmes for high-performing employees, providing executive education for our leadership team, and actively working to support youth employment within our networks.

Initiatives and Achievements

At TECOM Group, employee training is structured through a rigorous training needs analysis to ensure programmes effectively address key development areas across the organisation. Annual training targets are set to align with industry best practices, aiming to increase training hours and maximise impact steadily.

In 2023, 4,200 training hours were achieved – nearly 58% higher than the previous year. This increase, alongside a 60.9% rise in average training hours per employee, underscores the commitment to fostering an environment of continuous learning and development. Employees participated in over 125 training topics, including "Collaborate for Success," "Conflict Resolution," "Coaching Skills for Managers," and "The Art of Presenting and Public Speaking," enhancing both technical and interpersonal skills.

Building on this progress, 2024 saw continued investment in targeted development programmes, achieving an average of 20.3 training hours per employee, a 32.9% increase from the previous year's 15.2 hours. By aligning training with identified needs and setting ambitious goals, TECOM Group ensures that employees are equipped to reach their full potential.

20.3

Average hours of training per employee

Case study
People

ESG Trainings

In alignment with the commitment to responsible business practices, a specialised training series focusing on key elements of ESG principles was introduced for the employees.

This programme was designed to equip employees with deep knowledge and actionable insights to drive ESG initiatives across departments.

The ESG training series consisted of three comprehensive modules. The Environmental module covered sustainable practices, waste management, and carbon reduction strategies, preparing employees to lead and support green initiatives within their teams. The Social module focused on diversity, equity, and inclusion (DEI), employee well-being, and community engagement, enabling employees to foster a culture of inclusion and positive social impact.

Lastly, the Governance module delved into regulatory compliance, ethical standards, and responsible decision-making, ensuring employees understand and promote transparency and accountability.

This training series allows employees to contribute to ESG efforts within their respective areas, enhancing TECOM Group's commitment to sustainability and responsible governance. This initiative underscores the dedication to integrating ESG principles into every level of the organisation, ensuring a positive impact across environmental, social, and governance aspects.

Environment

This pillar reflects a strong commitment to environmental stewardship, focusing on initiatives that enhance energy and water efficiency, integrate renewable energy, embed sustainable building practices, promote resource management and circular economy principles, and advance sustainability across operations to reduce emissions.

11. Energy Efficiency

Commitments

- We remain steadfast in our commitment to environmental stewardship and actively pursue initiatives to enhance our energy efficiency, expand our use of renewable energy, and increase the ratio of green buildings within our built portfolio.
- We leverage innovative technologies and best practices to reduce the energy intensity of our built portfolio and increase savings.
- We continue to invest in renewable energy projects in accordance with regulations.
- We support green transportation by providing Electric Vehicle (EV) chargers and bicycle lanes.
- We strive to foster a culture of environmental responsibility among our customers, collaborating closely with them to minimise our collective ecological footprint and advance our shared sustainability goals.
- We undertake new developments and implement retrofits in line with sustainable design, construction, operation, and end-of-life principles.
- We implement retrofits to increase the proportion of green buildings in our portfolio.

Initiatives and Achievements

The Dubai Clean Energy Strategy 2030 aims to position Dubai as a global leader in clean energy, targeting a 75% clean energy mix by 2050. Built on pillars of infrastructure, legislation, funding, skills development, and an eco-friendly energy mix, this strategy guides TECOM Group's approach to sustainability. Aligned with the 2030 Dubai Integrated Energy Strategy, TECOM Group is committed to reducing energy consumption and environmental impact. This is achieved through robust systems to monitor and track energy usage against internal targets, enabling optimisation of operations using best-in-class technologies to reduce energy consumption and carbon emissions.

Significant progress was recorded in 2024 across key energy metrics. Electricity consumption and electricity intensity increased by 7.6% in absolute terms, primarily due to the activation of new operations in Dubai Industrial City. However, like-for-like electricity consumption decreased by 0.4%, demonstrating consistency despite high occupancy and increased footfall, reflecting the effectiveness of strong energy management measures.

District cooling usage rose by 6.1%, with a like-for-like increase of 3.4% driven by higher occupancy levels across TECOM Group properties. LPG consumption saw a substantial increase of 70.0%, and like-for-like consumption increased by 10.8%, attributed to the activation of new operations in Dubai Industrial City. Diesel consumption was consistent, with a 0.4% change from last year.

11. Energy Efficiency continued

Initiatives and Achievements

Energy efficiency achievements included a 11.8% energy savings in 2023 and 2024 realised through a major retrofit project initiated in 2022. Undertaken in collaboration with an ESCO partner, the project spanned multiple business districts and earned the 'Exemplary Retrofit Project' award from the Dubai Supreme Council of Energy (see case study – Exemplary Retrofit Project Awarded for Energy Innovation and Efficiency). This work also supported LEED certification goals, exemplifying a dedication to sustainable operations.

Renewable energy capacity continues to grow, with two new solar installations completed in Dubai Industrial City in 2024, increasing total capacity to 10.05 MWp. In 2024, solar accounted for 7.7% of electricity consumption (see case study – Improving Solar Capacities). Solar initiatives remain critical to the low-carbon strategy, further reinforcing the commitment to sustainable growth.

To support green transportation, 17 EV charging stations were added in 2024, bringing the total to 30, across seven districts.

In addition to energy efficiency efforts, green building practices are prioritised, with 49% of the Commercial portfolio certified to LEED (Leadership in Energy and Environmental Design) (see case study – LEED Certifications). This accomplishment includes 42 buildings certified by TECOM Group and one building certified by a customer, bringing the total to 43 LEED-certified buildings. Our new projects, including Innovation Hub Phase 2 and Phase 3 currently under construction in Dubai Internet City, are designed to align with LEED standards, reflecting our commitment to sustainable and innovative development. Regular assessments help identify opportunities for improving energy and water efficiency, while targeted retrofits, in collaboration with ESCOs, have expanded the portfolio of green buildings. This focus is complemented by maintaining rigorous Health & Safety standards, ensuring safe and efficient environments for all occupants.

By integrating energy efficiency, renewables, and green building principles, TECOM Group reaffirms its commitment to sustainability and operational excellence, supporting Dubai's ambitious environmental goals.

-0.4%
reduction in like for like electricity consumption

49%
of commercial portfolio LEED certified with 43 LEED buildings

30
EV charging stations across districts

Case study
Energy Efficiency

Exemplary Retrofit Project Awarded for Energy Innovation and Efficiency

TECOM Group's pioneering efforts in energy efficiency were recognised in May 2024, when the Dubai Supreme Council of Energy honoured the company with the 'Exemplary Retrofit Project' award under the Demand Side Recognition Programme.

This accolade celebrates TECOM Group's exceptional achievements in driving energy innovation and operational efficiency through cutting-edge retrofit initiatives across its districts.

The energy savings project, initiated in 2022, represents an investment of over AED 43 million. Its comprehensive focus is on reducing energy consumption and optimising infrastructure. Spanning key destinations such as Dubai Internet City, Dubai Media City, Dubai Knowledge Park, Dubai Outsource City, Dubai International Academic City, Dubai Studio City, Dubai Science Park, Dubai Production City, and Dubai Industrial City, the project has transformed TECOM Group's operational sustainability.

The implemented measures include replacing outdated chillers with advanced energy-efficient models, optimising chilled water systems, and integrating modern technologies such as motion sensors and Variable Frequency Drives (VFDs). These efforts have led to significant energy savings of 11.8% in 2023 and 2024, reflecting TECOM Group's commitment to sustainability, cost-effectiveness, and innovation.

Receiving this award underscores TECOM Group's leadership in aligning with Dubai's sustainability vision. It demonstrates how retrofitting projects can deliver measurable environmental benefits while maintaining operational excellence. The recognition further cements TECOM Group's position as a leader in sustainable development and energy efficiency.

Dubai International Academic City

Case study
Energy Efficiency

Improving Solar Capacities

In 2024, TECOM Group further advanced its renewable energy efforts by completing two additional solar projects in Dubai Industrial City, adding 1.7 MWp to its capacity.

The extra capacity brings the Group's total renewable energy capacity to 10.05 MWp, up from 8.34 MWp in 2023. These projects follow the successful 2023 installation of a 0.576 MWp solar plant at Dubai Science Park in 2023. Solar energy has consistently accounted for an average of 7% of electricity consumption across the Group's portfolio over the past two years.

Solar power is central to TECOM Group's sustainability strategy and critical for reducing carbon emissions. Through strategic partnerships with leading industry experts, TECOM Group implements high-impact projects aligning with national and global sustainability objectives. These solar initiatives underscore the Group's ongoing commitment to building a resilient, low-carbon future while progressively expanding its renewable energy capacity.

7.7%
electricity consumption from solar

Case study
Energy Efficiency

LEED Certifications

In 2024, we secured 12 LEED (Leadership in Energy and Environmental Design) certifications, a globally recognised sustainable building design and operations standard.

This brings the total number of LEED-certified buildings within TECOM Group's portfolio to 43, with 49% of the Commercial portfolio now LEED-certified underscoring the company's commitment to sustainability and environmental stewardship. The certifications, including LEED Platinum and LEED Gold, were awarded to Dubai Internet City, Dubai Media City, Dubai Production City, and Dubai Science Park buildings.

This achievement highlights TECOM Group's commitment to sustainability and operational excellence, contributing to global climate change mitigation. Supported by TECOM Group's energy savings initiatives, these certifications reflect the company's forward-thinking strategy to enhance building efficiency and secure a resilient, sustainable built environment for the future.

Dubai Science Park

12. Water Efficiency

Commitments	Initiatives and Achievements
• We continue to make efforts towards improving our water efficiency and reducing our water footprint by leveraging water-saving technologies and implementing practices that encourage responsible water management. • We raise awareness among our stakeholders to support these efforts.	Aligned with the commitment to responsible water management, TECOM Group continues to implementing initiatives that enhance water efficiency and reduce the overall water footprint. Using advanced water-saving technologies and strengthened water audits, we aim to sustainably manage water resources and reduce consumption. In 2022, several water conservation measures were introduced, including the installation of water displacement bags in flush tanks, flow reducers at wash basins and shataffs, and a greywater treatment plant at D3. In 2023, absolute water consumption rose by 8.3%, driven by the installation of Adiabatic Cooling systems across four districts. These systems increased water usage but contributed significantly to energy savings. Higher footfall and occupancy further contributed to the increase, a trend that continued into 2024. In 2024, new operations were activated, resulting in a 26.6% increase in absolute water consumption and water intensity, with a like-for-like increase of 13.8%.

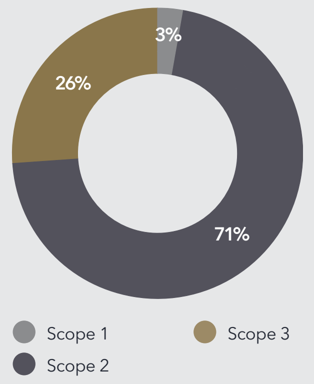
13. Waste Management

Commitments	Initiatives and Achievements
• We strive to enhance resource management, minimise waste and promote circularity within our built portfolio. • We continue to monitor our waste generation, recycling, and landfill diversion rates and implement measures to bolster these efforts. • We work towards collaborating closely with our customers to optimise waste management practices.	Waste generation, recycling, and landfill diversion rates are tracked and monitored through a service provider dashboard, with a goal to reduce waste intensity while improving recycling and diversion rates. In 2024, the Group recycled 321 tonnes of waste, marking a 36.6% increase from 2023. A total of 36.3% of general waste was diverted to Waste-to-Energy plants, including waste diverted to the Dubai Waste Management Centre (DWMC). The DWMC converts 45% of Dubai's municipal solid waste into energy, powering approximately 2% of the city's homes. Waste sent to landfill accounted for 62.8% of total waste, reflecting a 33.9% reduction from 2023. On a like-for-like basis, waste recycling increased by 36.1%, while the proportion of general waste diverted to Waste-to-Energy plants increased to 40.8%. As part of our sustainability efforts, the Dubai Can water fountains were implemented across multiple locations. Wherever feasible, we reuse furniture through repairs to extend its lifespan, thereby reducing waste and minimising resource consumption. TECOM Group's commitment to fostering a circular economy and sustainable resource management.

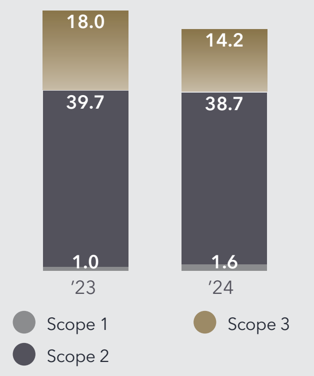
14. Reducing Greenhouse Gas (GHG) Emissions

Commitments	Initiatives and Achievements
• We maintain our commitment to reporting our emissions, periodically refining our calculation methodology for accuracy. • We continue to make efforts to reduce emissions directly within our control and primarily focus on energy, water, and waste management. • We extend our emissions reduction impact by collaborating with customers and suppliers, particularly in segments like Built-to-Suit, to decrease emissions within our sphere of influence over the long term.	The UAE's Net Zero 2050 Strategy is a transformative national plan to drive the UAE towards net-zero emissions by 2050. This initiative seeks to create jobs, boost GDP, and foster sustainability across key sectors through more than 25 programmes supported by climate finance, technology, and skills development. Aligned with this strategy, TECOM Group remains committed to actively managing and reducing its carbon footprint across operations, contributing to the nation's efforts towards Net Zero. Investments in climate-related infrastructure are essential for driving long-term sustainability and reducing environmental impact across TECOM Group's operations. Between 2022-24, AED 67.1 million has been allocated towards climate-related infrastructure, including building retrofits, solar energy systems, and the expansion of EV charging stations. These initiatives aim to enhance energy efficiency, increase renewable energy adoption, and support clean, reinforcing TECOM Group's commitment to sustainability. TECOM Group's emissions management approach includes the tracking and reporting of Scope 1 and 2 emissions, with a strategic focus on expanding Scope 3 emissions coverage. In 2024, the methodology and emission factors for 2023 and 2024 were updated, aligning with GHG Protocol, to enhance the accuracy and transparency of its reporting. • Scope 1 emissions, which include diesel consumption in common areas and refrigerants for cooling systems, increased by 56.9%, driven by expanded operations. • Scope 2 emissions, covering electricity and district cooling consumed in offices and common areas, decreased by 2.5%, reflecting the effectiveness of energy efficiency measures. • As a results, Emissions intensity (Scope 1 and 2) decreased by 1.0% • Scope 3 emissions, currently tracked for water and waste, decreased by 21.3%, primarily due to increased waste diversion to waste-to-energy plants. TECOM Group remains steadfast in its efforts to reduce emissions and align with global net-zero goals. By broadening emissions tracking, enhancing transparency, and implementing impactful energy efficiency measures, the Group supports the UAE Net Zero 2050 Strategy and strives to create a sustainable future.

Emissions breakdown 2024



Emission breakdown 2023 vs 2024 (kt CO_2e)



Forward-looking Statement

TECOM Group remains steadfast in its commitment to advancing ESG principles across all aspects of our business. Guided by our ESG objectives, we aim to build on strengths, address areas for improvement, and deliver long-term value to stakeholders.

Our approach aligns seamlessly with national strategies, including the Dubai Clean Energy Strategy 2030, UAE Net Zero 2050 Strategy, and UAE Green Agenda 2030, while contributing to global standards such as the United Nations Sustainable Development Goals (UNSDGs). We are dedicated to promoting robust governance and ethical standards, pioneering environmental stewardship in the UAE's commercial real estate sector, and creating sustainable, inclusive spaces that drive meaningful social impact.

We will enhance energy efficiency, reduce environmental impact, and increase resilience to climate risks. We are committed to fostering a diverse and inclusive workplace, prioritising the health, safety, and well-being of our employees, customers, and partners. By nurturing talent and supporting SMEs and women-owned businesses within our supply chain, we aim to create long-term economic and social value.

TECOM Group will maintain consistency, transparency, and reliability in measuring and communicating our ESG impacts. By adhering to industry reporting and staying aligned with evolving ESG regulations, we are positioning ourselves as a leader in sustainable business practices in the UAE and beyond. Collaboration and partnership with stakeholders and advocacy for global climate action will remain central to our efforts, ensuring our initiatives contribute to a sustainable future for all.


Dubai Science Park

Annex – EPRA Index

EPRA Code	Performance Measure	Units	2023	2024	Change 2023-24
Elec-Abs	Total Electricity consumption	kWh	171,204,396	184,229,969	7.6%
	Common Areas	kWh	82,276,991	81,774,776	-0.6%
	Tenant areas	kWh	84,685,098	98,752,671	–
	TECOM Group offices	kWh	4,242,307	3,702,522	-12.7%
	Proportion Electricity from Renewables	Percentage of total electricity	7.2%	7.7%	–
Elec-LfL	Like-for-like total electricity consumption	kWh	171,024,610	170,372,209	-0.4%
	Common Areas	kWh	82,138,940	79,195,646	-3.6%
	Tenant areas	kWh	84,643,363	87,474,041	–
	TECOM Group offices	kWh	4,242,307	3,702,522	-12.7%
DH&C-Abs	Total district cooling consumption	kWh	176,329,151	187,025,997	6.1%
	Common Areas	kWh	60,065,860	61,928,975	3.1%
	Tenant areas	kWh	102,134,399	111,320,097	–
	TECOM Group offices	kWh	14,128,891	13,776,926	-2.5%
DH&C-LfL	Like-for-like total district cooling consumption	kWh	146,317,057	151,345,341	3.4%
	Common Areas	kWh	59,381,583	61,115,457	2.9%
	Tenant areas	kWh	72,806,582	76,452,959	–
	TECOM Group offices	kWh	14,128,891	13,776,926	-2.5%
Fuels-Abs	Total Diesel consumption	kWh	667,462	670,420	0.4%
	Total LPG consumption	kWh	297,809	506,156	70.0%
Fuels-LfL	Like-for-like total Diesel consumption	kWh	667,462	670,420	0.4%
	Like-for-like total LPG consumption	kWh	178,213	197,448	10.8%
Energy-int	Building energy intensity – Electricity	kWh/m²/per year	119	128	7.6%
	Building energy intensity – District Cooling	kWh/m²/per year	286	304	6.1%
GHG-Dir-Abs	Total direct GHG emissions	tonnes CO_2e	1,040.9	1,632.7	56.9%
GHG-Indir-Abs	Total indirect GHG emissions	tonnes CO_2e	39,665.9	38,683.3	-2.5%
GHG-Int	GHG emissions intensity from building energy consumption	$kgCO_2/m^2$/per year	46.8	46.4	-1.0%

EPRA Code	Performance Measure	Units	2023	2024	Change 2023-24
Water-Abs	Total water consumption	m³	1,754,746	2,222,047	26.6%
	Common Areas	m³	324,471	401,629	23.8%
	Tenant areas	m³	1,385,346	1,773,854	–
	TECOM Group offices	m³	44,929	46,563	3.6%
Water-LfL	Like-for-like total water consumption	m³	1,201,778	1,367,980	13.8%
	Common Areas	m³	263,771	310,894	17.9%
	Tenant areas	m³	893,077	1,010,522	–
	TECOM Group offices	m³	44,929	46,563	3.6%
Water-Int	Building water intensity	m³/m²	0.86	1.09	26.6%
Waste-Abs	% waste diverted to waste to energy plants	Percentage	4.3%	36.3%	745.3%
	% waste recycled	Percentage	0.7%	0.9%	22.2%
	% waste to landfill	Percentage	95.0%	62.8%	-33.9%
Waste-LfL	% waste diverted to waste to energy plants	Percentage	4.7%	40.8%	774.3%
	% waste recycled	Percentage	0.8%	1.0%	26.0%
	% waste to landfill	Percentage	94.6%	58.2%	-38.5%
Cert-Tot	Total no. of TECOM LEED certified buildings as of that year	Number	31	43	38.7%
	Platinum	Number	2	6	–
	Gold	Number	22	30	–
	Silver	Number	7	7	–
	Percentage of LEED certified portfolio	Percentage	33%	49%	–
Diversity-Emp	No. of female employees	Number	92	97	5.4%
	No. of male employees	Number	183	182	-0.5%
	Percentage of female employees	Percentage	33.4%	34.8%	–
	Proportion of male employees	Percentage	66.6%	65.2%	–
	No. of Senior management employees	Number	21	24	–
	No. of Middle management employees	Number	70	77	–
	No. of staff	Number	184	178	–

Annex – EPRA Index continued

EPRA Code	Performance Measure	Units	2023	2024	Change 2023-24
Diversity-Pay	Gender Pay Ratio: Senior management level	Ratio	0.94	0.91	–
	Gender Pay Ratio: Middle management level	Ratio	1.01	1.00	–
	Gender Pay Ratio: Staff	Ratio	1.09	1.06	–
	Gender Pay Ratio: Average	Ratio	0.92	0.91	-1.0%
Emp-Training	Average training hours per employee	Average hours	15.2	20.3	32.9%
Emp-Dev	Employees receiving performance appraisals	Percentage of employees	98%	100%	–
Emp-Turnover	Total employees	Number	275	279	1.5%
	New hires	Number	18	22	22.2%
	New hires rate	Rate	6.2%	7.4%	–
	Turnover	Number	17	18	5.9%
	Turnover rate	Rate	6.1%	6.5%	–
H&S-Emp	ISO 45001 coverage for direct and indirect employees	Percentage	100%	100%	–
	Injury Rate (IR)	Rate	0	0	–
	Lost Day Rate (LDR)	Rate	0	0	–
	Accident Severity Rate (ASR)	Rate	0	0	–
	Absentee Rate (AR)	Rate	0	0	–
	Work-Related Fatalities	Rate	0	0	–
H&S-Asset	Asset health and safety assessments	Percentage of assets	100%	100%	–
H&S-Comp	Asset health and safety compliance	Number of incidents	0	0	–
Comty-Eng	Percentage of districts where community events are implemented	Percentage of assets	100%	100%	–
Gov-Board	Composition of the highest governance body	Number	Section: Corporate Governance		
Gov-Selec	Nominating and selecting the highest governance body	Narrative			
Gov-COI	Process for managing conflicts of interest	Narrative			

Annex – EPRA Index Methodology

Methodological Notes

Environment Performance Measures

- **Operational Control:** The operational control approach has been adopted. Under this approach, environmental impacts are reported for areas where TECOM Group has full authority to implement operational policies This includes 100% of common areas and its own offices.
- **Landlord & Tenant Consumption:** 100% of common area consumption is reported. Tenant consumption is reported only when it falls under the landlord's meters. EPRA's boundary approach is applied, covering landlord-obtained utilities but not tenant-obtained utilities due to data access limitations. Tenant consumption is partially reported, limited to what passes through the landlord's meters. Reporting coverage for tenants follows Gross Leasable Area (GLA), reflecting the total space occupied by tenants under landlord-controlled utilities.
- **Geography and Segmental Reporting:** All assets are located in Dubai, UAE. Environmental data is reported at the portfolio level, aligning with the reporting framework's approach to operational control boundaries. This ensures a comprehensive and standardized representation of environmental performance across all managed assets, supporting consistency and comparability in reporting.
- **Disclosure on Own Offices:** Data on own offices has been included for energy and water measures. Waste data is recorded at a district level and includes offices.

Electricity Consumption

- **Total Electricity Consumption:** Includes solar energy and landlord-obtained utility consumption for 100% of common areas and TECOM Group offices. It partially covers tenant consumption within TECOM Group meters (27.9% of GLA). It encompasses all electricity procured by TECOM Group, and excludes tenant-obtained consumption (sub-metered or tenant-held meters).
- **LFL Electricity Consumption:** Calculated using the same parameters as total electricity consumption but excludes three assets: two due to significant operational changes in 2024 and one that became operational in 2024.

District Cooling

- **Total District Cooling Consumption:** Buildings served by district cooling account totally account for 32.4% of GLA. 66% of GLA served by district cooling has been reported. This encompasses all district cooling procured by TECOM Group, and excludes tenant-obtained consumption (tenant-held meters).
- **LFL District Cooling Consumption:** Excludes one asset that underwent significant operational changes in 2024.

Fuel Consumption

- **Total Fuel Consumption:** Fuel is consumed in 2 forms – LPG and Diesel. All LPG consumption occurs in tenant areas, and all diesel consumption occurs in common areas.
- **LFL Fuel Consumption:** LFL LPG consumption excludes one asset that began operations in 2024. LFL Diesel consumption is consistent for both 2023 and 2024.

Building Energy Intensity

Reported separately for electricity and district cooling, as they constitute the majority of energy use and cover different areas each. Normalisation has been applied to ensure alignment between consumption and respective covered areas.

- Electricity intensity covers 100% of common areas and 27.9% of GLA (tenant areas). This encompasses all electricity procured by TECOM Group.
- Buildings served by district cooling account totally account for 32.4% of GLA. 100% of common areas served by district cooling and 66% of GLA served by district cooling has been reported. This encompasses all district cooling procured by TECOM Group.

Emissions Reporting

TECOM Group is aligning its emissions calculations with the GHG Protocol, applying an operational control boundary, where emissions from all assets under TECOM Group's operational control are included.

- **Scope 1** includes diesel consumed in common areas and refrigerants used in cooling systems. Emission factors for diesel are 2.67 $kgCO_2$/litre (Source: Department for Environment, Food and Rural Affairs, (DEFRA)). Emission factors for refrigerants are sourced from the IPCC Guidelines.
- **Scope 2** includes electricity and district cooling consumed in common areas and TECOM Group's own offices. Emission factors are: Electricity: 0.3979 $kgCO_2$/kWh (2023, Source: DEWA Sustainability Report); 0.39204 $kgCO_2$/kWh (forecasted for 2024). District Cooling: 0.3661 $kgCO_2$/RTH (2023) and 0.3607 $kgCO_2$/RTH (2024), calculated using electricity emission factors
- **Scope 3** includes water consumption and waste management (landfill and recycling). Emission factors are:
  Water: 4.875 $kgCO_2/m^3$ (2023 and 2024, Source: DEWA Sustainability Report)
  Waste to Landfill: 520.3 $kgCO_2/m^3$ (2023 and 2024, Source: DEFRA)
  Waste Recycled: 21.294 $kgCO_2/m^3$ (2023 and 2024, Source: DEFRA)

Annex – EPRA Index Methodology continued

Water Consumption

- **Total Water Consumption:** Reported for 100% of common areas and partially covers tenant consumption within landlord's meters (27.9% of GLA). It excludes tenant obtained consumption (sub-metered or tenant-held meters).
- **LFL Water Consumption:** Excludes four assets – three due to new operations and one that began operations in 2024.

Water Intensity

- Water intensity has been calculated for the GLA of the entire portfolio. For the commercial portfolio, water is consumed in common areas that primarily serve office spaces. For the industrial portfolio, it includes residential spaces such as staff accommodation. Considering the nature of our portfolio, entire GLA has been used.

Waste Management

- Waste by Disposal Route: TECOM Group manages waste for all tenants; therefore, waste data applies to all tenants.
- LFL Waste by Disposal Route: Excludes two assets that began operations in 2024.

LEED Certifications

- LEED certifications are applicable to the commercial portfolio only.
- Certifications include one building certified by a customer and 42 buildings certified by TECOM Group.

Social and Governance Measures

- **Scope:** All reported social and governance measures apply to direct employees,. Health and safety measures, also include indirect employees. Asset level health and safety measures apply to all our properties.
- **Gender Pay Ratio:** The gender pay ratio has been reported for female-to-male employees.
- **Turnover & Hiring Rate Calculation:** The average turnover and hiring rate are calculated based on the number of employees at the beginning and end of the reporting year.

Dubai Internet City

Corporate Governance

Ensuring alignment with the company's strategic objectives while fostering a culture of openness and collaboration.

TECOM Group is dedicated to upholding the highest standards of governance while fostering a culture of continuous improvement.

In 2024, the Board actively collaborated with management and stakeholders to align with TECOM Group's strategic objectives, fostering a transparent and inclusive culture. This includes the implementation of a dedicated ESG governance structure, which addresses critical areas across the Group's operations such as energy efficiency, community engagement, and ethical corporate conduct.

The Audit Committee enhanced its reporting with broader insights and disclosures on internal controls, accounting policies and reliability of management estimates – demonstrating our dedication to international best practices, transparency and accountability. More widely, the Audit Committee focused on embedding key programmes, including reviewing fraud risk assessments, Internal Controls over the Financial Reporting Framework (ICFR) and ICFR auditors' opinion for 2024.

In February 2025, we are opening the nomination for Board membership and elections at the General Assembly on 10 March 2025. We are confident that our governance framework and practices will continue to support the Group's strategic objectives, driving sustainable growth and value creation for all stakeholders for years to come.

On behalf of the Board, I sincerely thank our shareholders, employees, partners, and customers for their continued trust and support. Together, we will uphold TECOM Group's achievements and role as a driver of Dubai's economic growth and a standard-bearer of corporate excellence.

Malek Al Malek
Chairman
TECOM Group

Engagement with investors

60
Investor Engagements

7
Conferences and Roadshows

Read more about Stakeholder Engagement on page 90

Board tenure

2.5 years
as of 31 Dec 2024

Board meetings

100%
8
Board Meetings
100% Attendance

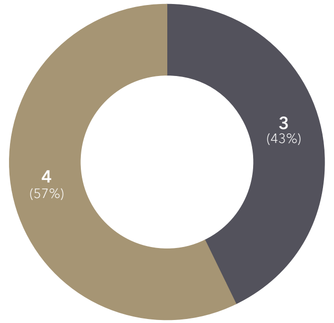
Committee meetings

100%
5
Audit Committee
100% Attendance

100%
5
Risk Committee
100% Attendance

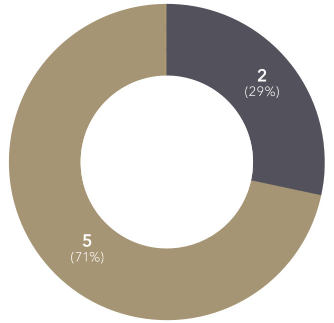
93.75%
5
Nomination and Remuneration Committee
93.75% Attendance

Board Composition



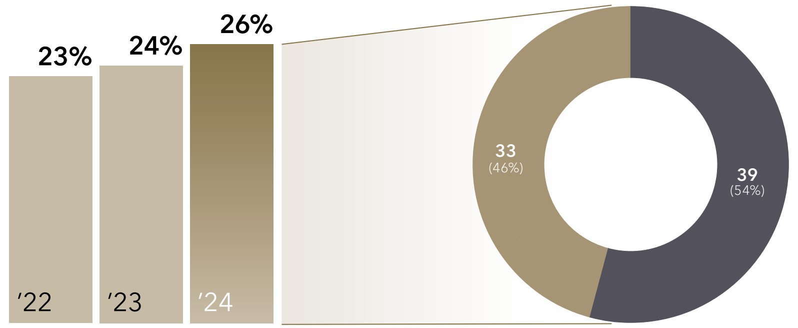
Independent Non-Executive
Non-Independent Non-Executive Directors

Board Diversity



Female
Male

Emiratisation



Male
Female

TECOM Group PJSC (the "Company" or "TECOM Group") is a company incorporated in Dubai and listed on the Dubai Financial Market ("DFM") since 5 July 2022.

The Company complies with the applicable regulations and governance requirements, in particular, the Chairman of the Securities and Commodities Authority ("SCA") and the Board of Directors' Decision No. (3/R.M) of 2020 Concerning Approval of Joint Stock Companies Governance Guide, as amended in January 2024 ("Governance Guide").

The Company's Board of Directors ("the Board") is committed to adopting effective and robust corporate governance that promotes efficient and sound decision-making and accountable and transparent conduct to ensure the creation and safeguarding of long-term and sustainable shareholder value.

TECOM Group's Governance Framework was designed to comply with the applicable rules and regulations and adopt international best practices.

It aims to ensure the company's strategic guidance, the effective monitoring of management by the Board, and the Board's accountability to the Company and the shareholders. It demonstrates the four pillars outlined in the Governance Guide: Accountability, Responsibility, Fairness, and Transparency and Disclosure.

The Board has the ultimate responsibility to monitor the effectiveness of the Governance Framework and amend it as and when necessary.

Accountability

The Board ensures adequate, effective, well-defined, and well-integrated risk management, internal control, and compliance frameworks.

Responsibility

The Board is responsible for overseeing the company's management and monitoring its performance. The Board is required to act in the company's best interests.

Fairness

The Board ensures that the rights of all shareholders and stakeholders are properly safeguarded and that there is an effective dialogue between the Board and the shareholders and stakeholders.

Transparency and Disclosure

The Board is responsible for ensuring timely and adequate disclosure of the Company's activities, financial performance, strategic and material events. Transparency boosts shareholders' confidence in the Company's decision-making and management.

Governance Framework

Shareholders

Board

Strategic direction
Long-term shareholder value
Dividend declaration
Interests of all stakeholders
Delegation of Authority

CEO

Overall financial performance
Overall strategy implementation
Operational decisions
Communication with the Board and investors

Board Committees

Audit Committee
- Integrity of financial statements
- Efficiency of internal controls
- Compliance framework
- Assessment of external auditor
- Governance Framework

Compliance | Internal Audit

Risk Committee
- Risk management strategy
- Effective risk management framework
- Business continuity and disaster recovery plans
- Sustainability framework and awareness program

Risk Management

Nomination and Remuneration Committee
- Remuneration and annual incentive plans
- Succession planning
- Nomination of Directors
- Human capital policies
- Executive management performance and KPIs

Executive Committees

Management Committee
- Oversight of strategy implementation
- Financial performance
- Policy development and implementation
- Investment and transactions
- Sustainability and culture

Crisis Management Committee
- Oversight and directing the response/ recovery from crisis
- Crisis communication policy and plan

Integrity Committee
- Oversight and management of whistleblowing processes
- Oversight and management of investigations

Insider and Disclosure Committee
- Managing share dealing and insiders list
- Regulatory disclosures
- Trading reports

Balanced Scorecard Review Committee
- Balance Scorecard Framework
- Management and monitoring of corporate KPIs to meet corporate objectives

ESG Committee
- Oversight of ESG framework and initiatives implementation
- Integrating ESG into core strategy and operational practice
- Alignment with global sustainability standards.

In line with our commitment to developing and implementing robust corporate governance that safeguards the business and supports strategic progress, TECOM Group has updated the key policies that form an integral part of its governance framework to ensure full compliance with the revised Governance Guide. All the policies are reviewed on a regular basis.

Director Remuneration

TECOM Group's Board of Directors and the Nomination and Remuneration Committee (NRC) are committed to ensuring that the level and composition of remuneration to the Board Members are sufficient and justifiable to attract and maintain talented individuals able to fulfil the duties and responsibilities of a Board Director.

The shareholders approved the Director Remuneration Policy on 14 March 2023. It outlines the method and types of remuneration for its Directors, as well as their roles, contributions, and participation in the Board and Board Committees.

The Directors' remuneration is linked to the Company's performance in the medium and long term. In preparation for the annual review, the NRC considers data from comparable companies or other relevant sectors, bearing in mind the size of the Company's business, its complexity and its geographic footprint. The Board, having considered the proposals from the NRC for the payment of Directors' fees, would submit the annual Directors' remuneration for each preceding financial year to the shareholders at the General Assembly for consideration and approval.

→ **Further details on Directors' Remuneration Policy can be found on the Company's website.**

Conflict of interest

TECOM Group's Board ensures that the Company implements the necessary governance mechanisms and systems to identify and manage conflicts of interest and mitigate potential risks. The Directors are committed to refrain from actions that may lead to a conflict of interest. The Directors disclose any actual or potential conflict of interest in writing to the Board and the Company Secretary:

- The Directors disclose conflict of interest in the business of a Board or Committee meeting at the beginning of each meeting. The conflicted Directors refrain from taking part in the discussions and decision-making on the related business matter.
- The Directors complete quarterly declarations of conflict of interest. The declarations include detailed profiles outlining their external directorships in private and listed entities, senior executive roles they hold, shareholdings, and other interests that could raise concerns about conflict of interest.

The Company Secretary maintains the Board's conflict of interest register, while the Compliance Officer maintains the employees' conflict of interest register. Both registers document all declared conflicts and the measures taken to manage, mitigate, segregate, or eliminate the actual or potential conflict.

Nomination and election of Board Members

TECOM Group's Board of Directors is dedicated to maintaining a qualified and competent Board to set the strategic direction of the Company and ensure proactive oversight and management of the interests of all its stakeholders. The Director Nomination and Election Policy defines the process to address the nomination and election requirements whilst ensuring the Board's diversity. During the appointment process, careful consideration is given

to ensure that the Director can dedicate sufficient time and effort to his/her duties and that there are no conflicts between their role and other commitments.

The Policy ensures that the composition of the Board reflects the scale and type of the Company's operations. The Board possesses collectively a suitable mix of expertise, proficiency, experience, diversity and independence to effectively oversee the Company's activities. The representation of women on TECOM Group's Board shall not be less than 20%.

The Board is committed to good governance practices. It recognises the importance of ensuring that it has the right composition and skills necessary to make decisions regarding its business model, strategy, and risk profile.

The Skills Matrix outlines the relevant skills and attributes required to ensure a diverse range of views and perspectives for the effective governance, oversight and strategic leadership of TECOM Group.

Additional skills and attributes may be added depending on the skill or specific area of expertise the Board may seek in the future.

The Board uses the Skills Matrix guideline for:

- **Appointments and succession planning:** The skills will be considered when re-electing or appointing new Board Members.
- **Directors' development programs:** The identified skills will be used to establish development programs for directors for each financial year.
- **Regulatory requirements:** Regular review of Board composition and skills matrix is key to meeting legal and regulatory requirements, including diversity and inclusion.
- **Governance:** Conducting the review improves board dynamics and board effectiveness and contributes positively to board evaluations.

The Board Skills Matrix consists of four categories segregated under two types of skills: (i) core skills and (ii) specific skills.

Skills Matrix

Core skills

Applicability:
All directors are expected to possess the full set of personal attributes and behavioural qualities required to operate as an effective director.

Specific skills

Applicability:
No one director is expected to have every skill referenced, rather, these skills would be held collectively by the Board as a whole.

Behavioural

- Communications and leadership skills.
- Ability to interact with fellow Board Members, Stakeholders and management.
- Ability to have robust discussions and ask tough questions.

Industry Knowledge

- Experience and knowledge of the industry in which the Company operates i.e. real estate, leasing, construction and development.

Governance

- Understand role of the Board Member, director responsibilities and duties.
- Being able to identify and manage conflicts.
- Understand laws and regulations.

Technical

- Technical, professional or specialist knowledge to assist the Board in its decision making.
- Includes skills or knowledge in human capital, audit, finance, risk management, law, marketing, cybersecurity and ESG.

Driving our Vision for Tomorrow

Key to Committee Memberships

- AC Member of the Audit Committee
- RC Member of the Risk Committee
- NRC Member of the Nomination and Remuneration Committee
- Chair of the Audit Committee
- Chair of the Risk Committee
- Chair of the Nomination and Remuneration Committee

Malek Al Malek

Chairman
Non-Executive

Experience and qualifications

Malek Al Malek served as Group CEO of TECOM Group (2018-2020) and CEO of TECOM Business Parks (2013-2017). Since joining in 2002, he has played an integral and strategic role in TECOM Group's growth story, evolving the Group's status as a key enabler of Dubai's Knowledge Economy. He has consolidated TECOM Group's position by launching innovative solutions that contributed to attracting major international and regional companies while creating an enabling environment for start-ups – many of which acquired unicorn status.

Malek holds a Bachelor's degree in Business Management from the Higher Colleges of Technology in UAE.

Other membership or joint-stock company positions

- Chairman of Emirates Integrated Telecommunications Company PJSC (EITC) (Du)

Other key regulatory, government or commercial positions

- Group CEO of DHAM L.L.C.
- Director General of Dubai Development Authority (DDA)
- Chairman of Dubai Institute of Design and Innovation and Centre of Excellence for Applied Research and Training
- Board Member of Higher Colleges of Technology, Higher Committee for Future Technology & Digital Economy (Dubai) and Emirates Foundation
- Council Member of Dubai Freezone Council, Dubai Media Council and the Dubai Urban Planning 2040 Executive Council/Supreme Committee

Ahmed Alqassim

Vice Chairman
Independent Non-Executive

AC RC

Experience and qualifications

Ahmed Alqassim is a seasoned banking and management professional with more than 18 years of experience in commercial and investment banking. He is responsible for corporate and institutional coverage at Emirates NBD, a leading banking Group in the MENAT (Middle East, North Africa and Turkey) region.

He previously served as CEO of Dubai Group and held senior roles at General Electric and Mubadala – GE Capital. He also served as a Board Member of the Bank of Muscat, EFG-Hermes, Shuaa Capital, and Sun Hung Kai Properties.

Ahmed holds a Bachelor's degree in Engineering Management from the Higher Colleges of Technology in the UAE and an MBA from the University of Victoria in Canada.

Other key regulatory, government or commercial positions

- Group Head of Wholesale Banking at Emirates NBD Bank PJSC
- Board Member of Emirates Post Group and Union Coop

Aref Ahli

Independent Non-Executive

Experience and qualifications

Aref Ahli currently serves as the Executive Director of the Budget and Planning Division in the Department of Finance of the Government of Dubai, a position he has held since 2011. He held various positions at Dubai Municipality from 1989 to 2010. He served as a financial expert in the courts of the UAE from 1994 to 1996 and as a manager in the audit office from 1993 to 2001. He is an active member of the Association of UAE Accountants and Auditors and a member of the International Arab Society of Certified Accountants. He is a certified lecturer and Knowledge Ambassador at the Mohammed bin Rashid School of Government. Aref is a member of various judicial committees and the Government Financial Policy Coordination Council at the UAE level.

Aref holds a Bachelor's degree in Accounting from UAE University and is a certified auditor by the Audit Department of the Ministry of Economy.

Other key regulatory, government or commercial positions

- Executive Director of Budget and Planning Division, Department of Finance of the Government of Dubai

Aysha Miran

Independent Non-Executive

NRC

Experience and qualifications
Aysha Miran has over 20 years of experience within the public sector, with a specific focus on setting the strategic agenda for the Executive Council and its Strategic Affairs Council and assisting in decision-making. She has expertise within the realm of strategy management, as well as knowledge within a multitude of disciplines, including strategic planning, performance management, policy-making and governance within the public sector. She started her career with The Executive Office, a private office of HH Sheikh Mohammed Bin Rashid Al Maktoum, in 2002. She previously held the position of Assistant Secretary General of Strategy Management and Governance Sector at the Executive Council Government of Dubai. She was the Deputy Chairperson of the Mohammed Bin Rashid School of Government and a Board Member of the Knowledge Fund Establishment.

Aysha holds a Master's in International Business Law from Paris II and an EMBA from the American University of Sharjah. She also has an Executive Diploma in Public Administration from the National University of Singapore and is certified in Balance Scorecard Practice.

Other key regulatory, government or commercial positions
- Director General, Knowledge and Human Development Authority (KHDA)
- Board Member of the Digital School, UAE University and the National University of Dubai

Fatima Hussain

Non-Executive

NRC

Experience and qualifications
Fatima Hussain has worked with several reputed private and semi-government organisations across various strategic HR disciplines that include performance management, total rewards, talent acquisition and development, Emiratisation and talent redeployment. She has partnered with senior leadership and C-Level executives to lead various critical projects related to quality management and business process improvement in order to realise organisational effectiveness and achieve set business objectives. Fatima is a Senior Assessor Member with the Department of Economic Development in Dubai for Human Development Awards.

She was the Chairperson of Takaful Emarat Insurance PSC, a Board Member, and the Chairperson of the Nomination and Remuneration Committees of Memaar Building Systems and Aramex PJSC.

Fatima holds a Master's degree in Business Administration from the University of Dubai and completed an executive leadership programme from Wharton Business School (United States).

Other key regulatory, government or commercial positions
- Chief People Officer of Dubai Holding LLC
- Board Member and Member of the Nomination and Remuneration Committee of Ell Capital PSC
- Member of the Central Grievance Committee

Amit Kaushal

Non-Executive

AC RC

Experience and qualifications
Under Amit's leadership, Dubai Holding has achieved sustainable economic growth and unparalleled results, further cementing its position as one of the UAE's largest and most diverse investment conglomerates.

Amit has vast experience in financial services, having spent more than a decade in the earlier years of his career with leading investment banks in London and Dubai, where he worked for Goldman Sachs, UBS and Deutsche Bank across transaction advisory, structuring and capital markets disciplines.

Amit holds a Master of Philosophy degree in Finance from the University of Cambridge and a BSc (First Class Hons.) in Mathematics, Operational Research, Statistics and Economics from the University of Warwick.

Other membership or joint-stock company positions
- Board Member of Emirates Central Cooling Systems Corporation PJSC

Other key regulatory, government or commercial positions
- Group Chief Executive Officer of Dubai Holding LLC
- Advisory Board Member of Warwick Business School
- Chairperson of the Executive Committee and Member of the Investment Committee of Shamal Holding LLC

Omar Karim

Non-Executive

NRC

Experience and qualifications
Omar Karim oversees the investment strategy of a US$35 billion multinational portfolio of strategic and financial investments across real estate, hospitality, leisure and entertainment, telecommunications and media, travel and tourism, consumer retail and sustainable and renewable energy.

Before joining Dubai Holding, Omar served as an investment banker at UBS Investment Bank (NYSE: UBS).

Omar started his career at KPMG in Australia in their corporate finance practice.

Omar holds a Bachelor's degree in Accounting and Finance from Monash University in Australia.

Other membership or joint-stock company positions
- Board Member of Emaar Properties PJSC

Other key regulatory, government or commercial positions
- Chief Investment Officer of Dubai Holding LLC
- Chairman of Merex Investment Group LLC
- Board Member of Azadea Holding Company DIFC Ltd
- Board Member of Shamal Venture Cruise Terminal LLC, Certares Holdings (Blockable) LLC and Aurora Holding Company Limited
- Member of Visa CEMEA Merchant Advisory Council

Role of the Board

The Board is the decision-making authority for all matters of significance to the Company, including strategic, financial, or reputational consequences or implications.

The Board provides strategic leadership and is responsible for leading the Company towards the attainment of its vision and goals. The Board has the final authority to decide on all matters except those reserved for shareholders' approval at the general assembly meeting. The Board Charter provides the key functions of the Board and the guiding principles for its composition, responsibilities and accountabilities.

Key areas of responsibility

- Adopting the strategic approaches and main objectives of the Company and supervising implementation thereof.
- Taking the necessary procedures to ensure an efficient internal auditing function.
- Ensuring the establishment of a compliance function, adopting policies and procedures to ensure compliance with applicable laws, regulations and the requirements of the supervisory authorities.
- Setting risk management strategy and determining the risk appetite.
- Specifying the optimal capital structure, strategies, and financial objectives and approving annual budgets.
- Setting performance objectives and monitoring implementation and the overall performance of the Company.
- Setting clear and precise standards and procedures for the nomination, remuneration and development of directors.
- Setting a clear delegation policy.
- Setting a code of conduct.
- Setting transparency and disclosure policies, including inside information and share dealing code.
- Adopt criteria for granting incentives, bonuses, and privileges to Directors and senior executive management in a manner that serves the Company's interests and realises its objectives.
- Setting a clear policy for distribution of the Company's profits.
- Ensuring the protection of shareholders' interests and Company assets.
- Setting policies on sustainability, gender diversity and human resources.

The Board held eight (8) meetings in the period ending 31 December 2024.

Date of Board Meeting	Number of Attendees in Person	Number of Attendees by Proxy	Names of Absent Members
30 January 2024	6	1*	–
20 February 2024	6	1**	–
02 May 2024	7	–	–
15 May 2024	7	–	–
1 August 2024	6	1***	–
26 September 2024	7	–	–
31 October 2024	7	–	–
12 December 2024	7	–	–

* Aysha Miran to Malek Al Malek
** Amit Kaushal to Omar Karim
*** Fatma Hussain to Omar Karim

Key activities during 2024

- Approved 2024 quarterly financial statements and 2023 full-year financial statements.
- Considered and approved payment of interim cash dividend of AED 400 million for the first six-month period ending 30 June 2024.
- Reviewed and approved the 2023 performance incentive plan.
- Approved Board evaluation report and 2024 action plan.
- Considered and approved the 2025-2029 strategy and business plan, 2025 budget and corporate balanced scorecard.
- Considered and approved major acquisitions by its subsidiaries for a total value of AED1.5 billion.
- Considered and approved major developments for a total value of AED 1.2 billion.
- Revised and approved the Company's risk appetite and risk tolerance framework.
- Completed the 2024 Board and Board Committees annual evaluation.

The Board did not issue any decisions by passing during the financial year 2024.

Board remuneration

The Board remuneration proposal for 2024, AED 5,990,000 plus VAT (including sitting fees), will be presented to the shareholders for approval at the Annual General Assembly on 10 March 2025.

The remuneration paid to the Board Members for 2023 was AED5,990,000 (as approved by the shareholders at the General Assembly held on 04 March 2024).

The Board Members are entitled to a 'sitting fee' for attending the Board Committees' meetings. The proposed sitting fees are outlined in the table below and will be presented to the shareholders for approval at the Annual General Assembly.

The Board Members did not and will not receive any additional allowances, salaries or fees other than the allowances for attending the Committees' meetings.

		Number of meetings attended			
Name	Sitting fee (AED)	AC	RC	NRC	Total (AED)
Aref Ahli	10,000	5	5		100,000
Ahmed Alqassim	10,000	5	5	5	150,000
Amit Kaushal	10,000	5	5		100,000
Fatima Hussain	10,000			5	50,000
Omar Karim	10,000			4	40,000
Aysha Miran	10,000			5	50,000
Total					**490,000**

Board evaluation

Effective Board evaluation creating value for TECOM Group

At TECOM Group, board evaluation is more than a procedural task; it is a cornerstone of our Corporate Governance Framework. Recognising its significance, our Board considers this evaluation an integral component for enhancing governance, fostering accountability, promoting transparency, and reinforcing strategic thinking.

Board evaluation at TECOM Group serves multiple purposes, including:

- strengthening governance practices;
- fostering a culture of accountability and transparency;
- encouraging strategic thinking, leadership, and collaboration;
- sending a positive signal to investors and stakeholders about our commitment to good governance;
- aiding efficient decision-making; and
- demonstrating our commitment to continually developing the Board's capabilities.

The evaluation follows a seven-step process:

1. **Define Objectives** Setting clear goals for what the evaluation aims to achieve.
2. **Determine Evaluation Scope** Identifying who will be evaluated, including the Board, its Committees, and individual Directors.
3. **Establish Methodology** Selecting appropriate evaluation methods, be it questionnaires, surveys, or one-on-one interviews.
4. **Conduct Evaluation** Using an electronic platform for efficient and effective data gathering.
5. **Analyse Results** Evaluating both qualitative and quantitative data to gain comprehensive insights.
6. **Finalise and Submit Report** Compiling findings into a report for Board review.
7. **Develop and Implement Action Plan** Based on the evaluation results, create an action plan, set a timeline for each action, and regularly monitor progress.

Annual evaluation process

The evaluation of the Board and its Committees is an annual exercise. The process follows a three-year cycle, with evaluations being internally facilitated for two years and externally facilitated every third year, in line with the Securities and Commodities Authority's (SCA) Governance Guide. The Chairman of the Board, aided by the Company Secretary, leads this process. To ensure candour and honesty in feedback, the responses are collected anonymously.

Impact and outcome

This structured evaluation process plays a pivotal role in ensuring that TECOM Group's Board remains dynamic, effective, and aligned with the evolving needs of the business and its stakeholders. It is a testament to our dedication to excellence in corporate governance and our unwavering commitment to continuously improving our leadership and governance practices.

The Board completed two performance evaluations for 2023 and 2024, facilitated internally by the Company Secretary under the leadership of the Chairman. In line with the Governance Guide requirements, the board evaluation for 2025 shall be facilitated externally by engaging a corporate governance and board performance review expert.

Board training and development

At TECOM Group, we recognise that the continuous training and development of our Board of Directors is not just an option but a necessity for fostering strong corporate governance and ensuring informed decision-making at the highest level.

This year, we placed a high emphasis on enhancing the knowledge and skills of our Board Members, reflecting our belief that an informed Board is integral to the success and integrity of our company.

In line with this commitment, our Board Members received updates and briefings on critical topics, including:

- legal briefing regarding the amendments to the Governance Guide, how they impact the Company and action plan to mitigate and integrate the changes; and
- individual workshops covering key topics identified by the Board during the 2023 performance evaluation:
  - strategic risk management highlighting emerging industry risks and their impact on the company's strategy.
  - cybersecurity and AI risks, highlighting the impact on the Company and directors' duties/liabilities in case of breaches.

OUR BOARD OF DIRECTORS – CONTINUED

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Board share dealings

The Share Dealing Policy provides the framework for Board Members and employees while dealing with the Company's securities. It ensures appropriate controls are embedded and relevant notifications and clearances are obtained, as necessary. The Board is committed to complying with the Policy and the disclosure requirements.

Based on the disclosures made by the Board Members, the table beside shows the Board and their first-degree relatives' dealings in TECOM Group securities during 2024.

Board delegation

The Board delegated the day-to-day management of the Company to the Chief Executive Officer, in line with the approved delegation of authority.

The Board defines and approves the Company's delegation of authority, which determines the types and maximum number of obligations that the Chief Executive Officer may approve, matters reserved for General Assembly, Board or Board Committee approval. The delegation of authority facilitates the effective decision-making process and the ability to be resilient in response to market demands.

The key responsibilities delegated include:

- implementing the Company's strategy as determined by the Board;
- develop and implement the risk management framework, as determined by the Board and subject to the oversight of the Risk Committee;
- developing and implementing the internal control and compliance frameworks, subject to the oversight of the Audit Committee; and
- developing and implementing the TECOM Group Remuneration Policy, as determined by the Board and subject to the oversight of the Nomination and Remuneration Committee.

Authorised person

Chief Executive Officer

Power of authorisation

To undertake the day-to-day management of the Company, subject to the limits set by the Board.

Duration of authorisation

Valid until revoked by the Board.

Name	Position	Owned Shares as of 31/12/2024	Total Sale	Total Purchase
Malek Al Malek	Chairman	0	0	0
Ahmed Alqassim	Vice Chairman	0	0	0
Aref Ahli	Board Member	0	0	0
Aysha Miran	Board Member	0	0	0
Fatima Hussain	Board Member	0	0	0
Amit Kaushal	Board Member	0	0	0
Omar Karim	Board Member	0	0	0

Company Secretary

The Board appointed Mrs. Ritva Kassis-Nicholas as Company Secretary effective 19 September 2022.

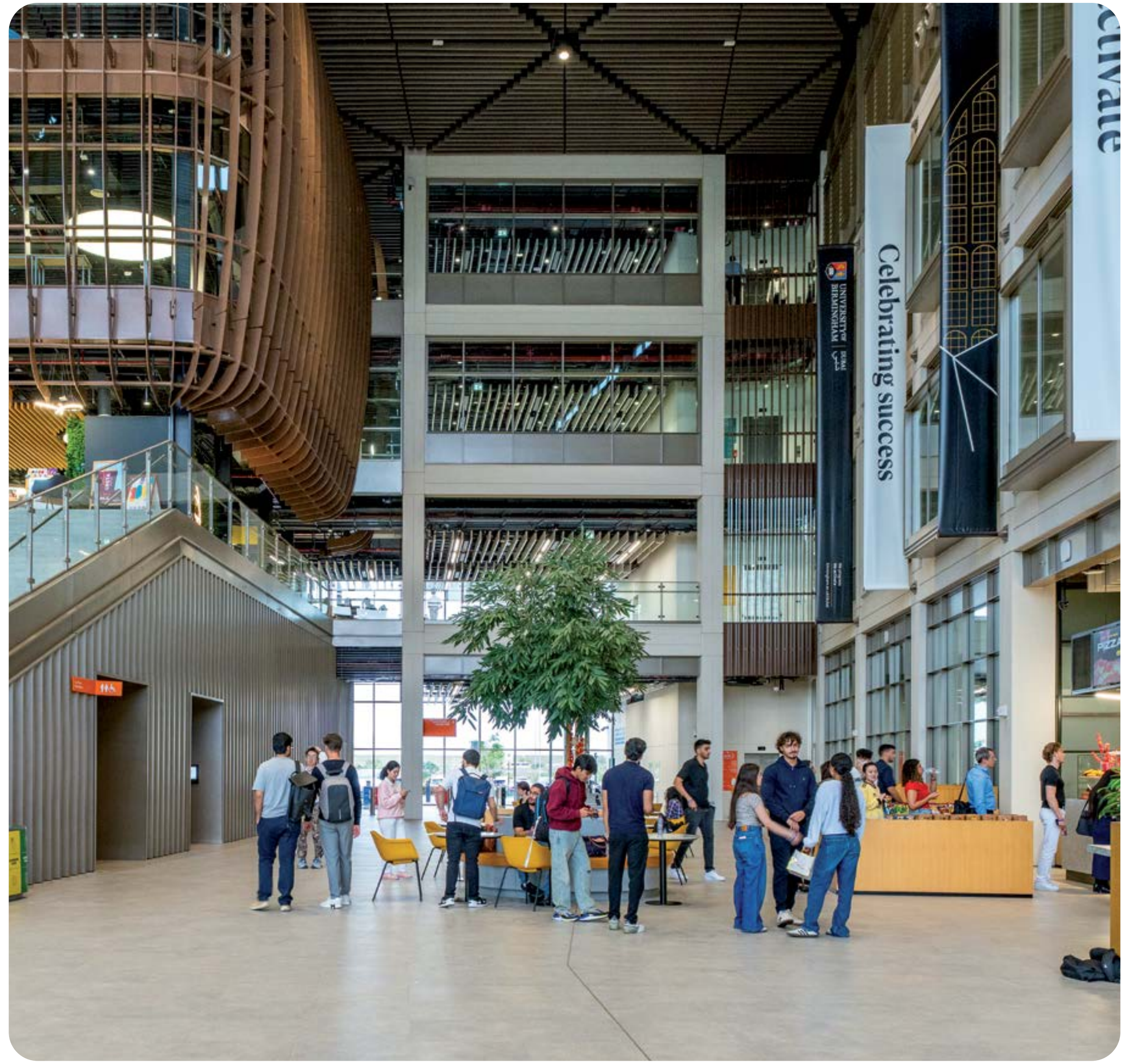
Mrs. Nicholas is a Chartered Governance Professional and Chartered Company Secretary. She is an ethics and compliance specialist with over 15 years of experience in listed companies across various industries. She is a Fellow of the Chartered Governance Institute (UK) and holds an MSc in Corporate Governance from London South Bank University.

The Board established three Board Committees: the Audit Committee ("AC"), the Risk Committee ("RC"), and the Nomination and Remuneration Committee ("NRC") (collectively, "the Committees").

The Committees support the Board in discharging its duties. Each Committee focuses on a specific area of expertise, makes informed decisions within its delegated authority by the Board, and reports regularly to the Board.

The Board delegated some of its authority to the Committees, with each Committee governed by its charter. The table below shows the membership of each Committee.

Name	AC	RC	NRC
Ahmed Alqassim	Member	Member	Chair
Amit Kaushal	Member	Member	
Omar Karim			Member
Fatima Hussain			Member
Aysha Miran			Member
Aref Ahli	Chair	Chair	



Audit Committee

Mr. Aref Ahli
Chairperson

"As Chairperson of the AC, I am committed to ensuring the integrity and transparency of our financial reporting. With enhanced reporting introduced this year, I look forward to addressing shareholders' queries at the General Assembly, reinforcing our dedication to robust governance and stakeholder confidence."

The AC held five (5) meetings during the financial year ending 31 December 2024.

Date of Nomination and Renumeration Committee meeting	Number of Attendees in Person	Names of Absent Members
29 January 2024	● ● ●	–
1 May 2024	● ● ●	–
31 July 2024	● ● ●	–
30 October 2024	● ● ●	–
11 December 2024	● ● ●	–

Membership

The Governance Guide requires that the AC must comprise at least three Members who are Non-Executive Directors and have knowledge and expertise in financial and accounting matters, and at least two Members must be Independent. One of the Independent Members must be appointed as the Chairperson of the AC. The Company complies with these provisions, and details of membership are defined hereafter.

Name	Position
Aref Ahli	Chairperson
Ahmed Alqassim	Member
Amit Kaushal	Member

Mr. Aref Ahli, Chairperson of the AC, acknowledges his responsibility for the company's committee system, including reviewing its work mechanism and ensuring its effectiveness.

As Chairperson of the AC, he ensures the effectiveness and integrity of the financial reporting and audit processes. Our commitment to rigorous compliance with UAE regulations, the SCA, and the DFM underscores our dedication to governance and financial transparency.

The AC considers the applicable laws and regulations of the UAE, the SCA, and the DFM, including the provisions of the Governance Rules.

Key responsibilities

The AC assists the Board in discharging its responsibilities concerning financial reporting, external and internal audits and controls, including:

- reviewing and monitoring the integrity of the Company's annual and interim financial statements;
- reviewing and monitoring the extent of the non-audit work undertaken by external auditors;
- advising on the appointment of external auditors;
- overseeing the relationship with the external auditors;
- reviewing the effectiveness of the external audit process; and
- reviewing the effectiveness of the Company's Internal Audit function.

The AC takes appropriate steps to ensure that the Company's external auditors are independent of the Company and intends to obtain written confirmation from the Company's auditors that they will comply with guidelines on independence issued by the relevant accountancy and auditing bodies.

Audit Committee continued

Reporting and disclosure
The AC prepared its first annual report as mandated by the Governance Guide, approved and signed by the Chairperson.

Significant matters relating to the financial statements
No significant matters other than those already disclosed are considered by AC for the approval of the financial statements.

Appointment of external auditors
TECOM Group carefully selects and appoints an external auditor based on their qualifications, experience, and reputation after following a very robust procurement/sourcing process. The current auditors will have completed six years upon completing their audit for the year ending 31 December 2024.

In 2024, TECOM Group followed a stringent procurement process to appoint an external auditor. A shortlist was presented to the AC. The AC endorsed one firm for Board approval. The Board will review the proposal and recommend the appointment of the preferred firm for approval by the shareholders at the upcoming General Assembly.

Risk management and internal control
The AC is responsible for overseeing the TECOM Group's internal control system, including risk management and compliance frameworks and the internal audit function. During quarterly meetings, the committee reviews reports submitted by Internal Audit, Risk Management, and Compliance and provides direction to management, where necessary, to resolve identified deficiencies or implement mitigation actions.

Key activities during 2024
- Reviewed and endorsed the 2024 quarterly financial statements and 2023 full-year financial statements.
- Considered and approved Group Tax Policy.
- Considered and approved the internal audit annual budget and plan for 2025.
- Considered and approved compliance annual budget and plan for 2025.
- Examined and endorsed Internal Audit external quality assessment.
- Re-affirmed the independence of the internal audit function and external auditors.
- Completed the external auditor's assessment.
- Reviewed the quarterly internal audit reports.
- Considered and reviewed fraud risk assessments.

Independence and effectiveness of external audit process
TECOM Group follows the below approach:

AC oversight
TECOM Group has established a robust AC to oversee the external audit process. This committee is comprised of independent and non-executive directors who can provide unbiased oversight.

Selection and appointment
We carefully select and appoint an external auditor based on their qualifications, experience, and reputation. The AC participates in this process to ensure independence.

Regular assessments
We conduct regular assessments of the external auditor's performance. This includes evaluating their independence, objectivity, and the quality of their work.

Clear communication
We maintain clear and open communication between the AC, management, and the external auditors. This helps in addressing any issues promptly and ensures that the audit process is transparent.

Independence
TECOM Group has implemented strict policies to safeguard the auditor's independence. These include rotating audit partners and restricting non-audit services provided by the audit firm, which can impair the independence of existing external auditors. TECOM Group did not obtain any services other than auditing the company and its subsidiary's account for the year ended 31 December 2024.

Confirmation from external auditors
At each reporting period, the external auditors confirm their independence as part of the quarterly reporting and their mandatory communication with TECOM Group.

Audit Committee continued

Each quarter, Internal Audit (IA) presents its executive report to the AC, which includes the results and major findings from all audit reports issued during that quarter. The executive report also covers the root causes of identified findings, the audit log status, and updates on the rectification of observations from past audit reports. In addition to the executive report, IA submits detailed audit reports that include both high- and medium-risk observations.

The AC reviews the action plans and targets implementation dates provided by management for the findings and deficiencies identified by IA. These findings are reported to the committee as part of IA's quarterly reporting. The committee also provides direction as needed on the deficiencies and related mitigation action plans.

The AC, in collaboration with the Risk Committee, ensures the formulation and implementation of a comprehensive corrective treatment plan for fundamental deficiencies in risk management.

Related party transactions
There is a defined policy and process for reviewing and approving related party transactions. Additionally, IA conducts an annual review of all related party transactions and ensures the AC is compliant with applicable regulations.

According to the definition in the SCA Governance Guide, there were no related party transactions during the year.

Comprehensive corrective treatment plan

1	Identification and assessment of deficiency	• Upon identifying a fundamental deficiency, the Risk Management team conducts a root cause analysis to determine the scope and impact of the issue.	• The deficiency is documented in detail, including affected areas, potential consequences, and associated risks.
2	Immediate corrective actions	• Temporary measures are implemented to mitigate immediate risks and prevent further escalation.	• Relevant stakeholders, including senior management and the Risk Committee, are notified to ensure prompt attention.
3	Development of a comprehensive treatment plan	• A formal corrective treatment plan is developed, outlining specific actions to address the deficiency. • The plan includes clear timelines, responsible parties, and required resources for implementation.	• External consultants or auditors may be engaged to validate the approach and provide expert recommendations.
4	Implementation and monitoring	• The treatment plan is executed under the supervision of the Risk Management and Internal Audit teams.	• Key performance indicators (KPIs) and control measures are introduced to track the effectiveness of corrective actions (if needed)
5	Reporting and communication	• Regular updates on the treatment plan are shared with the TECOM Group Risk Committee.	• A comprehensive report is included in the governance report, detailing the deficiency, corrective measures, and outcomes.

Risk Committee

Aref Ahli
Chairperson

“I am dedicated to fortifying TECOM Group’s risk management framework and sustainability strategies. By aligning with top governance standards, we ensure robust internal controls and proactive responses to emerging risks, safeguarding long-term value creation.”

The RC held five (5) meetings during the financial year ending 31 December 2024.

Date of Risk Committee meeting	Number of Attendees in Person	Names of Absent Members
29 January 2024	● ● ●	–
1 May 2024	● ● ●	–
31 July 2024	● ● ●	–
30 October 2024	● ● ●	–
11 December 2024	● ● ●	–

The Governance Guide requires that the Risk Committee (RC) be comprised of at least three (3) non-executive Directors, two (2) of whom must be Independent Directors. The Chairperson must be an Independent Director elected by the Committee.

The Company complies with these provisions, and details of membership are defined hereafter.

Name	Position
Aref Ahli	Chairperson
Ahmed Alqassim	Member
Amit Kaushal	Member

Mr. Aref Ahli, Chairperson of the RC, acknowledges his responsibility for the company’s committee system, his review of its work mechanism, and his efforts to ensure its effectiveness.

The RC assists the Board in discharging its duties concerning risk management and sustainability, including:

- ensuring that appropriate systems and procedures are in place for effective risk management within the Company;
- analysing, evaluating and approving the effectiveness of internal risk management procedures and internal controls regularly;
- reviewing and recommending the risk management target operating model, framework, policies, risk appetite and tolerance to the Board;
- assessing whether the Company has appropriate up-to-date contingency, business continuity and disaster recovery plans; and
- ensure that an effective sustainability strategy is in place and oversee its implementation.

Key activities during 2024

- Reviewed and considered the quarterly risk reports.
- Approved the ESG Policy and ESG governance framework.
- Approved Risk Management plan and budget for 2025.
- Considered and debated the corporate risks and key risk indicators.
- Approved revised business continuity policy, manual and plans
- Approved the crisis management plan and crisis communication plan.
- Considered and approved 2025 ESG strategic initiatives.

Nomination and Remuneration Committee

Ahmed Alqassim
Chairperson

“Our focus in 2024 has been on fostering a balanced and diverse Board composition while aligning remuneration policies with TECOM Group’s strategic goals. This ensures we attract and retain top talent to drive sustainable growth and shareholder value.”

The NRC held five (5) meetings during the financial year ending 31 December 2024.

Date of Nomination and Remuneration Committee meeting	Number of Attendees in Person	Names of Absent Members
29 January 2024	● ● ●	Omar Karim
31 July 2024	● ● ● ●	–
30 October 2024	● ● ● ●	–
11 December 2024	● ● ● ●	–
27 December 2024	● ● ● ●	–

The Governance Rules require that the Nomination and Remuneration Committee (NRC) comprise at least three Non-Executive Directors, of whom at least two must be Independent. One of the Independent Members must be appointed as the Chairperson of the NRC. The Company complies with these provisions, and details of membership are defined hereafter.

Name	Position
Ahmed Alqassim	Chairperson
Aysha Miran	Member
Fatima Hussain	Member
Omar Karim	Member

Mr. Ahmed Alqassim, Chairperson of the NRC, acknowledges his responsibility for the company’s committee system, his review of its work mechanism, and his efforts to ensure its effectiveness. The NRC assists the Board in discharging its responsibilities relating to the composition and make-up of the Board and any Committees of the Board. It is responsible for:

- evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board and its Committees;
- monitoring the independent status of the Independent Non-Executive Directors; and
- periodically reviewing the Board’s structure and identifying potential candidates to be appointed as Directors or Committee Members as the need arises.

In addition, the NRC assists the Board in determining its responsibilities concerning remuneration, including:

- making recommendations to the Board on the Company’s policy on executive remuneration;
- setting the over-arching principles, parameters and Governance Framework of the Remuneration Policy; and
- determining the individual remuneration and benefits package of each of the Company’s Directors and senior management.

Key activities during 2024

- Reviewed and endorsed the succession plan and leadership competency framework.
- Reviewed and endorsed the annual incentive plan.
- Considered and approved the updated organisational structure.
- Mandated and considered remuneration benchmarking exercise.
- Evaluated the Board composition and skills matrix and reported to the board that it remains appropriate.
- Assessed the non-executive directors’ independence and was satisfied that three of the seven directors remain independent.
- Approved the updated HC Policy and manual.

Insider and Disclosure Committee

Haissam Baydoun
Chairperson

> “In 2024, the Insider and Disclosure Committee strengthened governance by enhancing regulatory adherence and market transparency. By streamlining insider information processes, we reinforced transaction integrity while adapting to dynamic regulations to protect shareholder value.”

The RC held five (5) meetings during the financial year ending 31 December 2024.

Date of Insider and Disclosure Committee meeting	Number of Attendees in Person	Names of Absent Members
11 April 2024	● ● ●	-
24 June 2024	● ● ●	-
22 August 2024	● ● ●	-
29 October 2024	● ● ●	-
20 December 2024	● ● ●	-

The Insider and Disclosure Committee (“IDC”) consists of:

Name	Position
Haissam Baydoun	Chairperson
Matthew Madanat	Member
Elizabeth Board	Member

Haissam Baydoun, Chairperson of the IDC, acknowledges his responsibility for the company’s committee system, which supports the Board in overseeing the Company’s obligations arising out of applicable laws and regulations regarding insider trading, disclosure, and transparency.

The IDC responsibilities include:

- developing and implementing procedures to regularly review and update the corporate disclosure policy and share dealing policy while also monitoring the compliance for the same;
- identifying and establishing what constitutes material non-public information;
- determining the disclosure treatment of material and potential inside information and, where appropriate, ensuring its timely and accurate communication with the relevant authorities;
- educating employees and reinforcing their responsibility with the treatment of such information;
- identifying employees and external consultants who have regular access to material non-public information and creating an insider list which is regularly updated;
- notifying SCA and DFM annually about the insider list and submitting a copy of the list to the authorities at any given time upon request; and
- preparing quarterly trading reports, including concerns over any of the trades, and submitting them to the AC.

Key activities during 2024

- Regularly maintained and updated the Insider List to ensure full alignment with regulatory requirements and compliance standards.
- Designed and implemented the automation of the insider management process to be launched in 2025. The automation will enhance operational efficiency and accuracy, streamlining the management of insider activities and compliance measures.
- Reviewed and updated the Disclosure Policy, Share Dealing and Insider Information Policy to reflect best practices and regulatory changes.
- Revised the IDC terms of reference to strengthen the committee’s role, ensuring enhanced oversight and governance.
- Conducted comprehensive reviews of quarterly trading reports, providing detailed analysis of share price trends, major buyers and sellers, and overall market impacts.
- Evaluated critical disclosures to proactively identify and mitigate potential impacts on the Company’s reputation and share price.

Organisational structure

TECOM Group has a dynamic management team comprised of seasoned executives with a proven track record and operating experience in the real estate industry.

Abdulla Belhoul
Chief Executive Officer

Ammar Al Malik
Executive Vice President
Commercial Leasing

Saud Abu Alshawareb
Executive Vice President
Industrial Leasing

Ahmed Al Mheiri
Senior Vice President
Business Services

Michael Wunderbaldinger
Chief Financial Officer

Haif Zamzam
Senior Vice President
Strategy and Marketing

Abdulla Bahroozyan
Senior Vice President
Engineering

Abdulla AlKohaji
Senior Vice President
Business Support

Abdulla Belhoul
Chief Executive Officer

Before he was appointed as Chief Executive Officer, Abdulla was the Chief Commercial Officer of DHAM, where he managed an extensive portfolio of 10 business districts, 20 leading retail destinations, and 15 residential communities.

Abdulla was appointed Chief Executive Officer of Dubai Industrial City in 2013 and Chief Commercial Officer of TECOM Group in 2018.

Between 2007 and 2013, Abdulla held various leadership positions in Dubai Holding, overseeing the construction of key projects that make up Dubai's skyline today. From 2002 to 2007, he held various managerial positions at the Dubai World Trade Centre and the Dubai Department of Civil Aviation Engineering.

Michael Wunderbaldinger
Chief Financial Officer

Michael joined TECOM Group in 2014 as the Chief Financial Officer and served as the Chief Financial Officer of DHAM from 2020 to June 2022. Before joining TECOM Group, Michael was the Chief Financial Officer at Unibail-Rodamco-Westfield from 2007 to 2013, a listed and fully integrated commercial real estate conglomerate in Europe, where he was responsible for operations in Central and Eastern Europe. Between 1997 and 2007, Michael held various chief financial officer and chief operating officer roles at General Electric (GE Capital), with various responsibilities for European-wide operations in the banking and real estate industries.

Michael stepped down as Chief Financial Officer for personal reasons. Haissam Baydoun, VP Corporate Finance, was appointed as Acting Chief Financial Officer, effective 10 February 2025.

Ammar Al Malik
Executive Vice President
Commercial Leasing

With more than 20 years of leadership experience in the technology and business development sectors, Ammar plays a pivotal role in shaping TECOM Group's strategic vision.

Ammar leads the growth of Dubai Internet City and Dubai Outsource City, which together comprise TECOM Group's Tech Cluster, and has overseen its evolution into the region's leading hub for technology. He also oversees districts contributing to Dubai's knowledge-based economy, including Dubai Media City, Dubai Studio City, Dubai Production City, Dubai Knowledge Park, Dubai International Academic City, Dubai Science Park, Dubai Design District (d3), in5, and D/Quarters.

Saud Abu Alshawareb
Executive Vice President
Industrial Leasing

Saud is responsible for nurturing relationships with customers and attracting new business, determining Dubai Industrial City's strategic vision, and planning and implementing long-term business strategies to develop the sector as Dubai becomes a major destination for local, regional and global industrial and logistics companies. Saud has extensive experience and expertise in the food and beverage, machinery and equipment, transportation, minerals, base metals and chemical sectors.

Saud joined TECOM Group in 2006. He previously held the positions of managing director and chief operating officer at Dubai Industrial City.

Haif Zamzam
Senior Vice President
Strategy and Marketing

Haif joined TECOM Group in July 2020. Between 2016 and 2020, Haif held various leadership positions at Abu Dhabi National Oil Company (ADNOC), including Vice President of Transformation & Business Support and Vice President of Group Strategy

From 2015 to 2016, Haif was responsible for overseeing and managing the energy assets within Mubadala Development Company's portfolio. Prior to that, she worked with Boston Consulting Group on a range of projects in the GCC region (for public and private sectors). Haif began her career in 2008 at Masdar Group, where she was an active private equity investor and asset manager.

Abdulla AlKohaji
Senior Vice President
Business Support

Abdulla joined TECOM Group in November 2024 as Senior Vice President of Business Support. Abdulla oversees Group functions, including Human Capital, Information Technology & Procurement, and Contracts in his role. A seasoned leader with roots in human resources and business administration, Abdulla brings two decades of experience to the Group and has previously pioneered transformative initiatives at a diverse range of industry leaders, including Nakheel, EMAL, Emirates Global Aluminium, Dubai Electricity and Water Authority, and Dubai International Financial Centre. Specialised in overseeing business transformation programmes, Abdulla is a highly respected executive known for creating sustainable, agile, and innovative workplaces by nurturing digital transformation, strategic workforce planning, and organisational excellence.

Abdulla Bahroozyan
Senior Vice President
Engineering

Abdulla is responsible for the provision of state-of-the-art services and value-added engineering management solutions to TECOM Group in the areas of sustainable building solutions, facilities management, HSE, project delivery, interior design and overall property management. Abdulla joined TECOM Group in 2012 as Director of Facilities Management. Before that, Abdulla was in charge of facilities maintenance at National Petroleum Construction Company. He was also responsible for executing the construction of offshore and onshore camp accommodations, as well as office renovation and refurbishment. Abdulla commenced his career in 2007 as a Civil Engineer at Dubai Technology and Media Free Zone Authority.

Ahmed Al Mheiri
Senior Vice President
Business Services

Ahmad joined TECOM Group in 2017 as an Executive Director in axs. He was responsible for leading digital transformation initiatives and the adoption of state-of-the-art technologies, enabling the platform to provide a smooth, 24/7 experience. Before 2017, Ahmad was the Executive Director of Business Development, Real Estate and Government Services at twofour54. Ahmad has extensive experience, having over 15 years of experience working within free zones in the UAE, including Khalifa Industrial Zone and Jebel Ali Free Zone Authority.

Executive renumeration

The details of the executive management, their jobs, date of appointment and total salaries for the fiscal year 2024 are defined hereafter. The bonuses for 2024 will be considered by the NRC and approved by the Board in H1 2025.

Position	Appointment Date	Total Salaries and Allowances Paid for 2024 (AED)	Total Bonuses Paid during 2024* (AED)	Any other Cash/ In-kind Bonuses for 2024 or Due in the Future
Chief Executive Officer	7 January 2007	2,640,000	2,400,000	–
Chief Financial Officer	1 April 2014	2,040,000	1,615,000	–
Executive Vice President – Commercial Leasing	4 September 2005	1,340,000	880,000	–
Executive Vice President – Industrial Leasing	28 August 2006	1,340,000	880,000	–
Senior Vice President – Strategy and Marketing	1 July 2020	1,080,000	396,000	–
Senior Vice President – Engineering	1 April 2012	1,020,000	374,000	–
Senior Vice President – Business Services	4 September 2017	1,020,000	391,000	–
Senior Vice President – Business Support	18 November 2024	121,834	–	–

*Bonuses paid for 2023 as approved by the Board during Q1 2024

Related party transactions

The Company has not entered into any transaction with related parties under the definitions provided for these terms in the Governance Guide:
"The Chairman, Directors and their relatives, senior executive management and their relatives, employees, companies in which any of those referred to above contribute by not less than thirty per cent (30%) of their capital, the Parent Company, Subsidiary, Sister or Affiliate Companies, major shareholders (whoever owns five per cent (5%) or more of the Company's shares or voting rights therein), chairman and members of the board of directors of the Parent Company, Subsidiary, Sister or Affiliate Companies, companies in which any of the Chairman, or Directors or senior executive management is a member of its board of directors or a senior executive."

Please refer to Note 10 in the notes to the audited financial statements, as it provides the key related party transactions, as such term is defined in the International Financial Reporting Standards (IFRS), which are already reflected in the consolidated financial statements for the year 2024 and carried out during the year in the normal course of business on the terms agreed between the parties.

Internal controls and compliance

The Board's responsibility is to establish a robust framework that ensures the effectiveness of the internal control system. The AC and RC support the Board by reviewing the effectiveness of the Company's internal control and risk management systems and assessing emerging and principal risks.

TECOM Group operates a three-line defence model, which enables us to achieve effective risk management and internal control across the organisation.

Since 1 July 2022, Jahangir Ali Muhammad (Vice President of Internal Audit) has headed the IA Department. He has more than 24 years of experience in internal and external auditing, risk management, corporate governance, compliance, and fraud investigations. He is a Chartered Certified Accountant (FCCA), Certified Internal Auditor (CIA), Certified Fraud Examiner (CFE), and UAE Chartered Accountant (UAECA).

The IA Department assists the Company in achieving its goals by employing a systematic and disciplined approach to evaluate and enhance risk management, internal control systems, and governance processes.

Three-line defence model

First line
Management

The first line, represented by business and process owners, plays a critical role in managing risks. They establish and maintain appropriate structures and processes for the management of operations and risk, including internal control. The first line is accountable for the ongoing management of risks through direct assessment, control, and mitigation and building an efficient control system for their functions.

Second line
Risk and Compliance

The second line helps ensure that the first line is properly designed, established, and operating effectively. These functions complement the business's risk activities through their monitoring and reporting responsibilities. The Risk function reports to the RC, while the AC oversees Compliance.

Third line
Independent assurance

The Internal Audit ("IA") department provides the AC and management with independent and objective assurance on the effectiveness of governance, risk management, and internal controls. This includes how the first and second lines achieve risk management and control objectives. The IA Department reports to the Board via the AC to ensure the independence of the Department and its staff in performing their entrusted duties and responsibilities.

For more on TECOM Group's approach to risk management, please see page 82.

In the event of identifying a major problem within the scope of the IA process, the IA team collaborates with other functions/ departments within the Company to develop and implement a plan to effectively address the issue. This plan may involve introducing new controls or procedures, providing employee training, or implementing other corrective actions. As per the approved annual audit plan, the IA Department has not encountered any significant issues within the Company that require disclosure in 2024.

During 2024, IA conducted 19 audits, including a special review, and submitted four quarterly IA reports to the AC, summarising the key findings from the audits and reviews conducted during each quarter, the status of the audit log and key outstanding issues, and the progress of the audit plan.

In 2024, the TECOM Group's Internal Audit department underwent an external assessment to evaluate its compliance with the International Professional Practice Framework (IPPF). The department received the highest rating, "Generally Conforms," in the assessment.

No material violations were committed by the Company during 2024.

Continued ICFR governance and compliance supporting TECOM Group's sustainable Growth and Ethical Corporate Culture

Building upon the effective Internal Control over Financial Reporting (ICFR) framework aligned with the COSO framework that was adopted last year, TECOM Group continued its ICFR governance journey to enhance its operational integrity and ethical corporate culture.

Compliance with the ICFR framework

The ICFR framework provides a clear governance structure, delineating roles and responsibilities across the organisation. This structure ensures that everyone understands and executes their responsibilities effectively.

Our ICFR framework outlines various activities to be performed throughout the year, aiming to achieve defined objectives. These activities, supported by detailed guidelines, provide a solid basis for consistent and reliable financial reporting.

Key components of our ICFR activities for 2024 involve:

- Risk assessment: The TECOM Group team extensively evaluated over 265 risks and controls, ensuring that potential vulnerabilities were identified and mitigated effectively.
- Documentation review: More than 500 documents were thoroughly reviewed to ensure compliance with established guidelines and maintain the integrity of financial reporting.

This detailed ICFR governance exercise is a testament to our unwavering dedication to maintaining the highest standards of financial integrity and transparency. As we continue to strengthen our internal controls and compliance mechanisms, we remain committed to sustainable growth and fostering an ethical corporate culture that prioritises accountability and trustworthiness. Through these initiatives, TECOM Group not only complies with regulatory obligations but also lays a solid foundation for its future success and resilience in a dynamic business environment.

Risk Officer

Matthew Madanat joined TECOM Group on 25 May 2023 as the Risk and Compliance Director, bringing over a decade of experience in risk management and compliance. His previous roles at Deloitte and PwC equipped him with extensive expertise in enterprise risk frameworks, business continuity management, and strategic risk mitigation for listed and private entities.

As Risk Officer, Matthew is leading TECOM Group's efforts to embed a proactive risk culture and strengthen its resilience against emerging risks. His leadership ensures that risk management practices are seamlessly integrated with TECOM Group's strategic objectives and stakeholder expectations.

Compliance Officer

In compliance with Clause (5) of Article (69) of Chairman of the Board of the Authority Decision No. 02/R.M of 2024 (Amendment of the Chairman's Decision No. 3/R.M for the year 2020 concerning the Corporate Governance Guide for Public Joint Stock Companies), which prohibits combining the role of Compliance Officer with any other function or role within the company, TECOM Group has initiated the process of hiring a dedicated Compliance Officer.

During this interim period, Matthew Madanat, Risk Officer, will serve as Interim Compliance Officer to ensure continuity and adherence to regulatory requirements. Matthew's extensive background in establishing and managing compliance programmes ensures that TECOM Group maintains the highest standards of regulatory alignment and governance.

The appointment of a dedicated Compliance Officer is expected to be finalised in 2025, further reinforcing TECOM Group's commitment to meeting SCA's requirements and fostering a culture of integrity.

External auditor

Deloitte in the UAE is part of Deloitte & Touche (M.E.). Deloitte & Touche (M.E.) is a member firm of Deloitte Touche Tohmatsu Limited (DTTL).

A core practice within the Middle East region, today, Deloitte in the UAE has over 1,100 professionals based within five practice offices in Dubai, Abu Dhabi, Fujairah, Ras Al Khaimah, and Sharjah. They are a full-service firm in the UAE and have well-developed practices serving leading enterprises and institutions in banking and financial services, real estate, leisure and hospitality, construction, public sector activities, trading, manufacturing, telecom, retail, energy, and resources.

Their clients include many of the United Arab Emirates' largest entities and clients in energy and resources, financial services institutions, real estate, construction, trading, and manufacturing in the public and governmental sectors.

Name of the audit office and partner auditor	**Deloitte & Touche (M.E.)** **Partner:** Firas Anabtawi
Number of years served as the Company's external auditor	Six years (2019-2024)
The number of years that the partner auditor spent auditing the Company's accounts	Two (2) Years
Total audit fees for 2024 (AED)	AED 1,600,000
Fees and costs of private services other than auditing the financial statements for 2024 (AED), if any, and in case of absence of any other fees, shall be expressly stated.	AED 378,000 To issue an opinion on the effectiveness of the Internal Controls over Financial Reporting (ICFR). AED 50,000 To conduct a special purpose audit for corporate tax
Details and nature of the other services (if any). If there are no other services, this matter shall be stated expressly.	Nil
Statement of other services that an external auditor other than the Company accounts auditor provided during 2024 (if any). In the absence of another external auditor, this matter is explicitly stated.	No other external auditor provided services during 2024.

There were no reservations that Deloitte & Touche (M.E.) included in the interim financial statements and the annual financial statements for 2024.

Transparent and Robust Engagement

At TECOM Group, we value fostering transparent and robust engagement with our investors.

Our commitment to this endeavour is deeply rooted in the belief that a well-informed investment community is fundamental to understanding our strategic direction and unique value proposition.

We aim to ensure that our shareholders and potential investors are not just observers but informed participants in our journey. Throughout the year, we have actively participated in several investor conferences, conducted numerous investor meetings and hosted quarterly earnings calls. These initiatives are designed to provide comprehensive insights into the key drivers of our financial and operational performance, framed within the context of broader macroeconomic and operational conditions. Such transparency guides us in building trust and interest in the TECOM Group story, thereby widening our shareholder base.

For more about how TECOM Group engages our shareholders, please see page 90.

Our Investor Relations Policy guides our relationship with our shareholders to ensure that we fulfil our obligations towards them, preserve their rights, provide them with the required information to make informed decisions and establish sound relations with them in accordance with regulatory requirements and best practices.

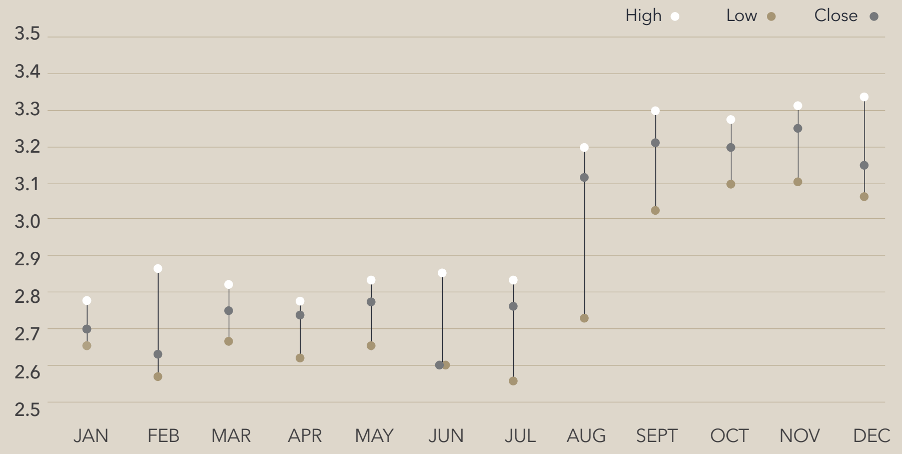
Mr. Ghaith Zghaibi was appointed Head of Investor Relations on 27 June 2022. He has over 17 years of experience in finance and investment management, working at renowned private and listed companies in the UAE. He has more than 10 years of experience in investor relations and capital markets. He holds a master's degree in business administration from the American University in Dubai.

Contact information:
Mr. Ghaith Zghaibi, Head of Investor Relations
Telephone: +97145682571
Email: ir@tecomgroup.ae

Shareholders can reach the investor relations page on the Company's website, www.tecomgroup.ae/investor-relations

Share price activity during 2024

TECOM Group PJSC was admitted to trading on DFM on 5 July 2022. The share price activity defined hereafter is for the period 01 January to 31 December 2024.



The Company's comparative performance with the general market index and sector index to which it belongs during 2024

2024 Monthly Performance of TECOM Group Shares

Month	TECOM Group	DFMGI	Real Estate
January	2.69	4,169.08	7,018.72
February	2.63	4,308.77	7,709.55
March	2.76	4,246.27	8,034.12
April	2.76	4,155.77	8,022.90
May	2.79	3,977.93	7,389.83
June	2.60	4,030.00	7,781.15
July	2.74	4,268.05	8,173.24
August	3.12	4,325.45	8,067.95
September	3.21	4,503.48	8,316.20
October	3.20	4,591.05	8,458.00
November	3.27	4,847.34	9,682.54
December	3.15	5,158.67	11,948.82

Shareholders' ownership distribution as of 31 December 2024

Shareholders Classification	Percentage of Owned Shares				
	Individuals	Companies	Banks	Government	Total
Local	1.95%	91.37%	0.91%	1.34%	95.57%
Arab	0.08%	0.00%	–	–	0.08%
GCC	0.35%	2.19%	0.01%	–	2.55%
Foreign	0.17%	1.63%	0.00%	–	1.80%
Total	2.55%	95.19%	0.92%	1.34%	100.00%

Shareholders owning 5% or more of the Company's capital as of 31 December 2024

Name	Number of Owned Shares	Percentage of Owned Shares of the Company's Capital
DHAM L.L.C.	4,235,000,000	86.50%

Shareholders distribution

Category	Number of Investors	Owned Quantity	Owned Quantity %
Less Than 50,000	6,430	16,857,283	0.337
Between 50,000 and 500,000	211	32,537,902	0.651
Between 500,000 and 5,000,000	84	133,840,471	2.677
Greater than 5,000,000	23	4,816,764,344	96.335
Total	6,748	5,000,000,000	100

Supporting our society and environment

TECOM Group drives positive change by partnering with trusted organisations and supporting charitable initiatives that enhance community well-being. In 2024, the Group collaborated with the Dubai Charity Association for the annual WeWalk charitable walkathon to raise awareness of diabetes and engaged with Beit Al Khair Society to distribute Iftar meals during Ramadan.

For more details, refer to the Community Pillar in the ESG Report on page 113.

Driving innovation and engagement

TECOM Group's reputation as a dynamic centre of innovation was reinforced in 2024 as we continued to identify and implement novel, differentiated products and services across our ecosystems to meet changing industry dynamics and customer needs. As business requirements change and working ways evolve, proactive innovation is a critical component of our future sustainable growth.

TECOM Group and our vibrant communities across Dubai continued to set the pace in 2024, organising, hosting and taking part in a plethora of events and programmes covering a wide range of key issues and exciting initiatives, including:

January '24

Arab Health
Dubai Science Park participated in the region's leading healthcare event alongside key industry players.

Bett UK
Dubai Knowledge Park and Dubai International Academic City showcased the city's appeal to global students.

February '24

Dubai Fashion Week Autumn/Winter
The third edition of Dubai's official fashion week created the optimal window for global visibility and buyers' attendance.

Step Conference
in5 presented 10 of its most innovative enterprises at Step Conference 2024, held in Strategic Partnership with Dubai Internet City each year.

Gulfood
Dubai Industrial City announced robust annual growth at the region's leading F&B industry event, Gulfood 2024.

March '24

Dubai Lynx
Dubai Media City partnered with Dubai Lynx to unite the world's brightest minds and creative talent.

The Good Store
Emirates Red Crescent and TECOM Group reintroduced The Good Store to enable seamless donations during Ramadan and Eid al-Fitr for the second consecutive year.

Annual General Assembly Meeting
TECOM Group PJSC held its Annual General Assembly Meeting at Thuraya Hall in Dubai Internet City. During the meeting, shareholders approved the Group's financial statements for the year ended 31 December 2023 and a remuneration by the Board of Directors to distribute a cash dividend of AED 400 million in April 2024, bringing the total amount of dividend distributions for 2023 to AED 800 million.

April '24

Milano Durini Design Association
Dubai Design District (d3) expanded its global footprint with its first networking and knowledge-sharing event in Milan alongside Milano Durini Design Association.

May '24

CABSAT
Dubai Studio City announced contributions to the regional content creation economy at CABSAT 2024, the world's leading event for the broadcasting sector.

GITEX Africa
Dubai Internet City showcased the best of African technology and innovation from its community at GITEX Africa 2024.

Drupa
Dubai Production City participated in Drupa, the world's leading trade fair for the printing and graphics sector, held in Germany.

Make it in The Emirates Forum
Dubai Industrial City unveiled its 13.9 million sq. ft. expansion at Make it in the Emirates Forum 2024.

Arab Media Forum
TECOM Group joins Dubai Media Council's Emirati Media Talent Pledge to nurture the national talent pool.

June '24

London Tech Week
Dubai Internet City showcased pathways to nurture innovation for global good at London Tech Week 2024.

Innovate for Tomorrow
Global sustainability challenge Innovate for Tomorrow highlighted impact-driven solutions that address sustainability issues with in5 as Execution Partner.

September '24

EAIE
Dubai Knowledge Park and Dubai International Academic City report growth in the European student community at EAIE Toulouse 2024.

Dubai Fashion Week Spring/Summer 2025
Italian fashion house Roberto Cavalli closed the shows of the Spring/Summer 2025 edition of Dubai Fashion Week held on 1-7 September.

October'24

SIAL
Dubai Industrial City attended the globally renowned food exhibition SIAL Paris 2024 as part of the Dubai Department of Economy and Tourism (DET) delegation.

GITEX Global
Dubai Internet City showcased the transformative impact of collaborative innovation as a Knowledge Partner of GITEX Global 2024.

Broadcast India
Dubai Studio City showcased the growing footprint of its ecosystem's global talent in its ecosystem as a Platinum Partner of the Broadcast India Show in Mumbai.

Dubai Internet City 25th anniversary
Dubai Internet City marked its 25th anniversary of enabling the Middle East's digital economy and uniting global tech industry leaders and talent.

November '24

Dubai Design Week 2024
Dubai Design Week's milestone 10th edition unites over 500 established and emerging designers and brands from more than 40 countries.

Design Next
Dubai Design District (d3) and Isola Design Group launched the Design Next exhibition to empower the circular economy.

Global Media Congress 2024
Dubai Media City showcased the power of its community's multicultural creativity at the Global Media Congress.

Dubai Industrial City 20th anniversary
Dubai Industrial City marked its 20th anniversary as the Middle East's leading manufacturing and logistics hub, demonstrating the collaborative power of the public and private sectors.

WeWalk
The fifth edition of the annual WeWalk charity walkathon united over 2,000 participants to raise awareness and funds for diabetes in partnership with Dubai Charity Association.

December '24

Sole DXB
Dubai Design District hosted the 12th edition of Sole DXB, the UAE's leading contemporary culture festival.

Al Manama exhibition
In celebration of Eid Al Etihad 53, a vibrant cultural programme was organised in partnership with Dubai Design District (d3), marking a dynamic intersection of architecture, design and heritage. Conceptualised by Emirati urbanists and researchers Ahmed and Rashid bin Shabib in collaboration with Cartier, the Manamas reimagined Emirati architecture in contemporary form while preserving the rich heritage of the UAE.

Financial Statements

Our strategy prioritises operational excellence and financial resilience to ensure sustainable growth.

Board of Directors' Report

Dear Shareholders and Readers
The Board of Directors of TECOM Group PJSC (the "Company") has the pleasure in submitting their report and the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2024.

Board of Directors
The Board of Directors comprised of:

Chairman	Mr. Malek Sultan Rashed Almalek
Vice Chairman	Mr. Ahmed Al Qassim
Members	Mr. Amit Kaushal Mr. Omar Karim Ms. Fatma Hussain Ms. Aisha Abdulla Miran Mr. Aref Abdulrahman Ahli

Principal activities
The principal activities of the Group are property leasing, development, facilities management and services.

Financial highlights
In 2024, TECOM Group delivered impressive financial results, achieving significant growth in both revenue and net profit compared to the previous year. This outstanding accomplishment was driven by a combination of strong portfolio performance, strategic investments in high-potential assets and a proactive approach to cost optimization.

The remarkable growth in financials was primarily driven by a robust 11% increase in revenue, which hit a record-breaking AED 2,402 million in 2024, compared to AED 2,173 million in the previous year. Overall, net profit for the year surged by 14%, reaching AED 1,228 million, up from AED 1,078 million in 2023. This exceptional performance reflects the company's successful execution of its growth strategy, including expanding market share and capitalizing on emerging opportunities.

In accordance with the Articles of Association of the Company and applicable UAE Federal Law, an apportionment of AED 24 million is made to statutory reserve from the profits of the subsidiaries of the Group.

On 5 February 2025, the Board of Directors has recommended cash dividend of AED 400 million (AED 0.08 per share), which is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

The balance of the distributable profit after considering appropriation to statutory reserve and proposed dividend will be transferred to retained earnings.

As at 31 December 2024, total equity attributable to owners of the Company amount to AED 6,708 million (2023: AED 6,329 million), total liabilities of AED 9,583 million (2023: AED 8,485 million), Cash and bank AED 1,017 million (2023: AED 1,535 million) and total assets of AED 16,291 million (2023: AED 14,814 million). Investment properties of the Group were fair valued at AED 27,874 million (2023: AED 22,935 million).

Transactions with related parties
The audited consolidated financial statements disclose related party transactions and balances in note 10. All transactions are carried out in compliance with applicable laws and regulations.

Outlook 2025
As economic activity intensifies, demand for infrastructure, real estate, and commercial space is expected to rise, reflecting broader confidence in the UAE's long-term growth trajectory.

Looking into 2025 and beyond, sustained economic growth and favourable market conditions will likely continue driving demand across commercial offices and industrial real estate segments.

By expanding our development portfolio and enhancing existing assets, the Group is strategically positioned to meet the growing demand for premium spaces in key, well-connected locations. We are committed to delivering tailored solutions, fostering strong customer relationships, and adapting pricing to market dynamics. Our strategy prioritises operational excellence and financial resilience to ensure sustainable growth, positioning the business for sustained profitability and long-term success.

Auditors
The consolidated financial statements for the year ended 31 December 2024 have been audited by Deloitte & Touche (M.E.).

For the Board of Directors

Malek Sultan Rashed Almalek
Chairman
Dubai, United Arab Emirates

5 February 2025

Independent Auditor's Report

The Shareholders
TECOM Group PJSC
Dubai
United Arab Emirates

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion
We have audited the consolidated financial statements of TECOM Group PJSC (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated statement of income, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy 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 2024, 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 (IASB).

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

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

Impairment assessment of investment properties

Key audit matter	How the matter was addressed in our audit
The Group's investment properties portfolio is carried at AED 13,820 million in the consolidated balance sheet. Investment properties are carried at cost less accumulated depreciation and accumulated impairment, if any. The Group undertakes a review of indicators of impairment and, wherever indicators of impairment exist, an impairment assessment is performed by determining if the recoverable amount based on qualitative and quantitative factors, exceeds or is equal to its carrying amount. Ascertaining the value of these properties is a significant judgement area and is underpinned by a number of assumptions. The determination of the recoverable amount of these investment properties is based on external valuations using the income approach and sales comparable approach for its assets.	We assessed the controls in the process over the determination of the valuation of investment property to determine if they had been appropriately designed and implemented. We assessed the valuer's competence, capabilities, independence and objectivity and read their terms of engagement with the Group to determine that the scope of their work was sufficient for audit purposes. We tested the data provided to the valuer by the Group, on a sample basis by agreeing the data to the Group's accounting records.

Independent Auditor's Report (continued)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Key audit matters (continued)

Impairment assessment of investment properties

Key audit matter	How the matter was addressed in our audit
The Group's income approach requires valuers to make significant estimates and assumptions related to future occupancy levels, growth rates, rental rates, and discount rates. The sales comparable approach requires the valuers to examine and analyse market transaction/data and requires adjustments to be made for the data to account for individual characteristics. Further, the Group allocates common infrastructure costs (including cost to complete) on properties in the portfolio on a systematic basis. Accordingly, the allocation of estimated infrastructure cost and valuation of its underlying assets is a significant judgement area based on a number of assumptions. The existence of significant estimation uncertainty warrants specific audit focus in this area as any bias or error in determining the cost base of investment properties and its recoverable amount could lead to a material misstatement in the consolidated financial statements. The Group engaged a valuer to assist them in determining the fair value of investment properties. We considered the impairment of investment properties as a key audit matter because of the quantitative materiality of the balance and the significant judgements applied and estimates made in determining the fair value. Refer to notes 4 (d), 4 (e) and 6 for more information regarding the impairment assessment of investment property.	We involved our internal real estate valuation specialist to review selected properties and assessed whether the valuation of the properties was performed in accordance with IFRS Accounting Standards. We assessed and challenged the underlying key assumptions used in the recoverable amount assessment and estimation of cost to complete infrastructure work. We performed sensitivity analyses on the significant assumptions to evaluate the extent of their impact on the determination of fair values. We reperformed the arithmetical accuracy of the determination of infrastructure cost allocations and recoverable amounts. We assessed the disclosures made relating to this matter to determine if they were in accordance with IFRS Accounting Standards.

Other information

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

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

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

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

When we read the remaining information of the annual report of the Group, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB and their preparation in compliance with the applicable provisions of the UAE Federal Decree

Law No. (32) of 2021 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Independent Auditor's Report (continued)

Report on other legal and regulatory requirements

As required by the UAE Federal Decree Law No. (32) of 2021, we report that for the year ended 31 December 2024:

- we have obtained all the information we considered necessary for the purposes of our audit;
- 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;
- the Group has maintained proper books of account;
- the financial information included in the Board of Directors' Report is consistent with the books of account of the Group;
- the Group has not purchased or invested in any shares during the financial year ended 31 December 2024;
- note 10 to the consolidated financial statements discloses material related party transactions, and the terms under which they were conducted;
- note 26 to the consolidated financial statements discloses social contributions made during the year; and
- based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the year ended 31 December 2024, any of the applicable provisions of the UAE Federal Decree Law No. (32) of 2021 or in respect of the Company, its Articles of Association which would materially affect its activities or its financial position as at 31 December 2024.

Deloitte & Touche (M.E.)
Firas Anabtawi
Registration No. 5482
5 February 2025
Dubai
United Arab Emirates

Consolidated Balance Sheet
As at 31 December 2024

	Notes	2024 AED'000	2023 AED'000
ASSETS			
Non-current assets			
Property and equipment	5	**90,893**	93,459
Intangible assets		**16,688**	20,427
Investment property	6	**13,819,597**	11,864,542
Derivative financial instruments	7	**165,440**	221,995
Other receivables	8	**11,347**	14,215
Unbilled receivables	9	**821,126**	802,057
Deferred tax assets	28	**4,922**	–
		14,930,013	13,016,695
Current assets			
Other receivables	8	**106,814**	124,803
Trade and unbilled receivables	9	**181,757**	102,159
Due from related parties	10	**54,990**	35,425
Cash and bank balances	11	**1,017,039**	1,535,183
		1,360,600	1,797,570
Total assets		**16,290,613**	14,814,265
EQUITY AND LIABILITIES			
Equity			
Share capital	12	**500,000**	500,000
Statutory reserve	13	**482,696**	458,410
Hedge reserve		**169,231**	218,995
Retained earnings		**5,555,767**	5,151,602
Total equity		**6,707,694**	6,329,007

	Notes	2024 AED'000	2023 AED'000
LIABILITIES			
Non-current liabilities			
Trade and other payables	14	**2,728**	3,304
Borrowings	15	**5,213,253**	4,351,767
Advances from customers	16	**606,757**	623,533
Project liabilities	17	**786,913**	829,445
Due to related parties	10	**92,766**	–
Derivative financial instruments	7	**1,131**	3,000
Employees' end-of-service benefits	18	**46,733**	43,912
Provision for other liabilities and charges	19	**902,807**	902,807
		7,653,088	6,757,768
Current liabilities			
Trade and other payables	14	**330,330**	348,523
Advances from customers	16	**969,223**	836,605
Current tax liabilities	28	**38,222**	–
Project liabilities	17	**473,596**	460,533
Due to related parties	10	**90,604**	60,244
Provisions for other liabilities and charges	19	**27,856**	21,585
		1,929,831	1,727,490
Total liabilities		**9,582,919**	8,485,258
Total equity and liabilities		**16,290,613**	14,814,265

These consolidated financial statements were approved by the Board of Directors on 5 February 2025 and were signed on its behalf by:

Malek Sultan Rashed Almalek
Chairman

Abdulla Belhoul
Chief Executive Officer

Michael Wunderbaldinger
Chief Financial Officer

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

Consolidated Statement of Income
For the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000
Revenue	21	**2,402,002**	2,173,197
Direct costs	22	**(849,540)**	(760,382)
Gross profit		**1,552,462**	1,412,815
Other operating income	23	**137,503**	56,055
		1,689,965	1,468,870
Expenses			
General and administrative	24	**(204,942)**	(166,997)
Marketing and selling	26	**(54,478)**	(42,823)
Other operating		**(6,193)**	–
		(265,613)	(209,820)
Operating profit		**1,424,352**	1,259,050
Finance income		**65,980**	81,592
Finance costs		**(223,659)**	(262,367)
Finance costs – net	27	**(157,679)**	(180,775)
Profit before tax for the year		**1,266,673**	1,078,275
Income tax expense	28	**(38,222)**	–
Profit for the year		**1,228,451**	1,078,275
Earnings per share attributable to the Owners of the Company			
Basic and diluted (AED)	29	**0.25**	0.22

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000
Profit for the year		**1,228,451**	1,078,275
Items that may be subsequently reclassified to profit or loss			
Fair value loss on cash flow hedges, net of tax	7	**(49,764)**	(93,707)
Less: Cumulative gain arising on cash flow hedges reclassified to profit and loss	7	**-**	(23,945)
Other comprehensive loss for the year		**(49,764)**	(117,652)
Total comprehensive income for the year		**1,178,687**	960,623

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

Consolidated Statement of Changes in Equity
For the year ended 31 December 2024

		Attributable to owners of the Company.				
	Notes	Share capital AED'000	Statutory reserve AED'000	Hedge reserve AED'000	Retained earnings AED'000	Total equity AED'000
At 1 January 2023		**500,000**	**436,321**	**336,647**	**4,695,416**	**5,968,384**
Profit for the year		–	–	–	1,078,275	1,078,275
Other comprehensive loss for the year		–	–	(117,652)	–	(117,652)
Total comprehensive income for the year		**–**	**–**	**(117,652)**	**1,078,275**	**960,623**
Transactions with owners:						
Dividends declared	20	–	–	–	(600,000)	(600,000)
Transfer to statutory reserve	13	–	22,089	–	(22,089)	–
		–	**22,089**	**–**	**(622,089)**	**(600,000)**
At 31 December 2023		**500,000**	**458,410**	**218,995**	**5,151,602**	**6,329,007**
At 1 January 2024		**500,000**	**458,410**	**218,995**	**5,151,602**	**6,329,007**
Profit for the year		–	–	–	1,228,451	1,228,451
Other comprehensive loss for the year		–	–	(49,764)	–	(49,764)
Total comprehensive income for the year		**–**	**–**	**(49,764)**	**1,228,451**	**1,178,687**
Transactions with owners:						
Dividends declared	20	–	–	–	(800,000)	(800,000)
Transfer to statutory reserve	13	–	24,286	–	(24,286)	–
		–	24,286	–	(824,286)	(800,000)
At 31 December 2024		**500,000**	**482,696**	**169,231**	**5,555,767**	**6,707,694**

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

Consolidated Statement of Cash Flows
For the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000
Cash flows from operating activities			
Cash generated from operations	30	**1,823,174**	1,634,959
Payment of employees' end of service benefits	18	**(1,280)**	(4,174)
Net cash generated from operating activities		**1,821,894**	1,630,785
Cash flows from investing activities			
Purchase of property and equipment	5	**(6,323)**	(7,711)
Payments for investment property, net of advances to contractors, project liabilities and related provisions		**(2,273,995)**	(411,227)
Purchase of intangible assets		**(7,215)**	(13,977)
Due to a related party		**-**	(150,000)
Movement in fixed deposits with maturities greater than three months	11	**486,623**	58,547
Interest received		**76,540**	47,568
Net cash used in investing activities		**(1,724,370)**	(476,800)
Cash flows from financing activities			
Proceeds from borrowings		**850,000**	-
Issuance cost paid		**-**	(53,796)
Interest paid		**(179,045)**	(166,973)
Dividends paid	20	**(800,000)**	(600,000)
Restricted cash against borrowing facility		**-**	60,000
Net cash used in financing activities		**(129,045)**	(760,769)
Net (decrease)/increase in cash and cash equivalents		**(31,521)**	393,216
Cash and cash equivalents, beginning of the year	11	**669,882**	276,666
Cash and cash equivalents, end of the year	11	**638,361**	669,882

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

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024

1. LEGAL STATUS AND ACTIVITIES

TECOM Group PJSC (the "Company") is a public joint stock with trade license number 577858 issued by the Department of Economy and Tourism in Dubai.

The Company was initially established as a limited liability company on 14 February 2006. The legal status of the Company was converted to a public joint stock company on 30 June 2022 by virtue of Company's shareholders resolution. On 5 July 2022, the Company listed its 12.5% ordinary shares on the Dubai Financial Market ("DFM" or the "Exchange") through an Initial Public Offering ("IPO").

The Company is domiciled in the United Arab Emirates (UAE) and its registered head office address is P.O. Box 66000, Umm Suqeim, Dubai, United Arab Emirates.

The principal activities of the Group are property leasing, development, facilities management and services.

The parent company is DHAM LLC (the "Parent Company"), which is a fully owned subsidiary of Dubai Holding Commercial Operations Group LLC (the "Intermediate Parent Company"). The Intermediate Parent Company is a fully owned subsidiary of Dubai Holding LLC (the "Ultimate Parent Company"). The "Ultimate Shareholder" of the Company was His Highness Sheikh Mohammed Bin Rashid Al Maktoum till 8 January 2023. On 8 January 2023, the Ultimate Shareholder and Ruler of Dubai issued Law No. 1 of 2023, transferring his direct ownership in the Ultimate Parent Company to the Government of Dubai. The Company and its subsidiaries are collectively referred to as the Group (the "Group").

The Group consolidates investments in the following principal subsidiaries:

		Ownership %	
Name of the entity	Nature of business	**2024**	2023
TECOM Investments FZ LLC	Develop and lease properties	**100**	100
Dubai Industrial City LLC*	Develop and lease properties	**100**	100
Dubai Design District FZ LLC	Develop and lease properties	**100**	100
Tamdeen LLC*	Project management engineering and feasibility studies	**100**	100
Dubai Design District Hospitality FZ LLC	Develop and lease properties and real estate services	**100**	100
AXS FZ LLC	Incorporation and visa related services	**100**	100
DMC Butterfly Building FZ LLC	Real estate services	**100**	100
Innovation Hub FZ-LLC	Real estate services	**100**	100
IN5 FZ LLC	Regional headquarters for real estate services	**100**	100
DIC 1 FZ LLC	Develop properties and real estate services	**100**	100
DIC 2 FZ LLC	Develop properties and real estate services	**100**	100
DKV 1 FZ LLC	Develop properties and real estate services	**100**	100
Innovation Hub Phase 1 FZ-LLC	Real estate services	**100**	100
Dquarters FZ LLC	Regional headquarters for real estate services	**100**	100

* The ownership percentage represents the beneficial ownership of the Group in these subsidiaries.

The Group only operates in the UAE and has no subsidiaries in foreign jurisdictions.

The Group has not purchased or invested in any shares during the financial year ended 31 December 2024.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Statement of compliance
The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) and applicable requirements of the law of the UAE.

2.2 Basis of preparation
The consolidated financial statements are presented in United Arab Emirates (AED) which is the Company's functional currency and the Group's presentation currency. All amounts have been rounded to the nearest AED thousands ('000s), unless stated otherwise.

The consolidated financial statements have been prepared on the historical cost basis, except for the revaluation of financial instruments that are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying IFRS Accounting Standards. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

Certain comparative amounts have been reclassified to conform to the presentation used in these consolidated financial statements.

2.3 Application of new and revised IFRS Accounting Standards
(a) New and revised IFRS Accounting Standards applied with no material effect on the consolidated financial statements
The following new and revised IFRS Accounting Standards, which became effective for annual periods beginning on or after 1 January 2024, have been adopted in these consolidated financial statements. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.
- Amendments to IFRS 16 *Leases* relating to Lease Liability in a Sale and Leaseback
- Amendments to IAS 1 *Presentation of Financial Statements* relating to Classification of Liabilities as Current or Non-Current
- Amendments to IAS 1 *Presentation of Financial Statements* relating to Non-current Liabilities with Covenants
- Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* relating to Supplier Finance Arrangements

Other than the above, there are no other significant IFRS Accounting Standards and amendments that were effective for the first time for the financial year beginning on or after 1 January 2024.

(b) New and revised IFRS Accounting Standards in issue but not yet effective
At the date of authorisation of these consolidated financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

New and revised IFRS Accounting Standards	Effective for annual periods beginning on or after
Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* relating to Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures regarding the classification and measurement of financial instruments*	1 January 2026
IFRS 18 *Presentation and Disclosures in Financial Statements*	1 January 2027
IFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments may have no material impact on the consolidated financial statements of Group in the period of initial application.

2.4 Principles of consolidation
(a) Subsidiaries
Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of income.

Business combinations involving entities under common control do not fall under the scope of IFRS 3 "Business Combinations". Transfer of businesses under common control is accounted for under the uniting of interest method. Under the uniting of interest method, there is no requirement to fair value the assets and liabilities of the transferred entities and hence no goodwill is created as the balances remain at book value.

The results and cash flows of the entities/businesses under common control are consolidated prospectively from the date of transfer without restatement of the consolidated income statement and the consolidated balance sheet comparatives.

Where settlement of any part of the net identifiable assets acquired is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which similar borrowings could be obtained from independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in the consolidated statement of income.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in the consolidated statement of income.

(b) Eliminations on consolidation
Intercompany transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Changes in ownership interests in subsidiaries without change in control
Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 Principles of consolidation (continued)
(d) Disposal of subsidiaries
When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the consolidated statement of income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. 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 consolidated statement of income.

2.5 Foreign currency translation
(a) Functional and presentation currency
Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in United Arab Emirates Dirhams ("AED"), which is the Company's functional and Group's presentation currency.

(b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of income, except when deferred in other comprehensive income and accumulated in equity as qualifying cash flow hedges and qualifying net investment hedges.

Balances and transactions denominated in US dollars ("USD") have been translated into the presentation currency at a fixed rate as the exchange rate of AED to USD has been pegged since 1981.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of income within 'Finance income/costs'. All other foreign exchange gains and losses are presented in the consolidated statement of income within 'Other operating income'. Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in the consolidated statement of income, and other changes in carrying amount are recognised in other comprehensive income. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in the consolidated statement of income as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as fair value through other comprehensive income are included in other comprehensive income.

2.6 Earnings per share
The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.7 Property and equipment
Property and equipment are stated at cost less accumulated depreciation and accumulated impairment, if any. The cost of property and equipment is its purchase cost together with any incidental costs of acquisition. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance costs are charged to the consolidated statement of income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using straight-line method, at rates calculated to reduce the cost of assets to their estimated residual value over their expected useful lives, as follows:

Type of assets	Years
Buildings	20-50
Building interior improvements, furniture and fixtures	3-10
Computer hardware	3-5
Motor vehicles	5
Other assets	3-5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10).

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are recognised within 'Other operating income' in the consolidated statement of income.

2.8 Investment property
Investment property comprises property held for capital appreciation, rental yields or both, and is carried at cost less accumulated depreciation and impairment losses, if any. Investment property also includes related infrastructure and property that is being constructed or developed for future use as investment property. In addition, land held for undetermined use is classified as investment property and is not depreciated. The Group engages professionally qualified external valuers at least once every three years to determine the fair values for disclosure purposes. The fair values for all other years are updated by management by using models and bases similar to the external valuers.

When the development of investment property commences, it is classified under capital work-in-progress until development is complete, at which time it is transferred to the respective category, and depreciated on the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Type of assets	Years
Buildings and infrastructure	20-50

Any expenditure that results in the maintenance of property to an acceptable standard or specification is treated as repairs and maintenance and is expensed in the period in which it is incurred.

Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale or becomes owner-occupied, the property is transferred to property held for development sale or property and equipment respectively.

When investment property is sold, gains and losses on disposal are determined by reference to its carrying amount and are recognized in the consolidated statement of income.

Capital work in progress are properties or assets in the course of construction for production, supply or administrative purposes, are carried at cost, less any recognised impairment loss. Cost includes all direct costs attributable to the acquisition of the property including related staff costs, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate investment property category and is accounted in accordance with the Group's policies.

2.9 Intangible assets
(a) Computer software
The Group's computer software comprises software acquired or software developed by the Group entities. Acquired computer software licenses are capitalised on the basis of the costs incurred to bring to use the specific software. Costs associated with maintaining computer software programs are recognised as an expense as incurred.

Computer software are carried at cost less accumulated amortisation and impairment losses, if any.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.9 Intangible assets (continued)

(a) Computer software (continued)

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

i) it is technically feasible to complete the software product so that it will be available for use;
ii) management intends to complete the software product and use or sell it;
iii) there is an ability to use or sell the software product;
iv) it can be demonstrated how the software product will generate probable future economic benefits;
v) adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
vi) the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. These costs are amortised over their estimated useful lives of 3 years. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Intangible assets which are in the course of development, are carried at cost, less any recognised impairment losses, if any. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate intangible asset category and is accounted in accordance with the Group's policies.

(b) Licenses

Separately acquired software licenses are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses, if any.

(c) Masterplans

The costs of developing the Group's masterplans are capitalised and are subject to amortisation. These are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount and is included in the consolidated statement of income within 'Other operating income'. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash generating units").

2.10 Impairment of non-financial assets

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the consolidated statement of income.

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

2.11 Investments and other financial assets

2.11.1 Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- Those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the consolidated statement of income or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt instruments only when its business model for managing those assets changes.

2.11.2 Recognition and derecognition

Purchases and sales of financial assets are recognised on the date on which the Group commits to purchase or sell the asset. The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the consolidated statement of income.

2.11.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in the consolidated statement of income.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the consolidated statement of income and presented in 'Other operating income'.

Impairment losses are presented under 'General and administrative expenses' in the consolidated statement of income.

Fair value through other comprehensive income

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income.

Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the consolidated statement of income.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.11 Investments and other financial assets (continued)

2.11.3 Measurement (continued)

Debt instruments (continued)

When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the consolidated statement of income and recognised in 'Other operating income'. Interest income from these financial assets is included in 'Finance income' using the effective interest rate method.

Exchange gains and losses are presented in 'Other operating income' and impairment losses are presented under 'General and administrative expenses' in the consolidated statement of income.

Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the consolidated statement of income within 'Other operating income' in the year they arise.

Equity instruments

The Group subsequently measures all equity investments at fair value. The Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in the consolidated statement of income under other operating income when the Group's right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other operating income' in the consolidated statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

2.11.4 Impairment of financial assets

IFRS 9 requires the Group to record an allowance for expected credit losses (ECLs) for all trade and unbilled receivables, contract assets, loans and other debt financial assets not held at fair value through profit or loss (FVTPL). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade and unbilled receivables and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtor's general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting day, including time value of money where appropriate.

(i) Definition of default

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

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

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(ii) Credit-impaired financial assets

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

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

(iii) Write-off policy

The Group writes off a financial asset considering various factors which includes but not limited to the information indicating debtor's severe financial difficulty and no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the consolidated statement of income.

(iv) Measurement and recognition of expected credit losses

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

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

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

2.12 Financial liabilities and equity

Classification as debt or equity

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

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the consolidated statement of income on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

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

Financial liabilities measured subsequently at amortised cost

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

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

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.12 Financial liabilities and equity (continued)

Financial liabilities (continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of income.

2.13 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.14 Trade receivables

Trade receivables are amounts due from customers for properties leased or services performed in the ordinary course of business. Trade receivables are recognised initially in line with IFRS 15 and 16 and subsequently measured at amortised cost using the effective interest method, less loss allowance.

2.15 Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances in current accounts, call accounts and term deposits with original maturity of three months or less with no withdrawal restrictions and which are subject to an insignificant risk of changes in value and cash pledged against guarantees.

2.16 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less from the balance sheet date (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

Contract advances include instalments received from customers for lease and services. These are subsequently released to the consolidated statement of income once the revenue recognition criteria are met (Note 2.21).

2.17 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated statement of income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of income.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed. Borrowings are classified as payable within 12 months unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.18 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 the amount has been reliably estimated. Provisions are not recognised for future operating losses.

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. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

2.19 Employee benefits

(a) End of service benefits to non-UAE nationals

Provision is made for the end of service benefits due to employees in accordance with the UAE Labour Law for their periods of service up to the balance sheet date.

(b) Pension and social security policy within the UAE

The Group is a member of the pension scheme operated by the Federal Pension General and Social Security Authority. Contributions for eligible UAE National employees are made and charged to the consolidated statement of income, in accordance with the provisions of Federal Law No. 7 of 1999 relating to Pension and Social Security Law. The Group has no further payment obligations once the contributions have been paid.

2.20 Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities (fair value hedge) or hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions. Derivatives are only used by the Group for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria under IFRS Accounting Standards, they are classified as 'held for trading' for accounting purposes only. The fair values of various derivative instruments used for hedging are disclosed in Note 3.3. Movements in the hedging reserve is disclosed in the consolidated statement of changes in equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability when expected to be settled within 12 months; otherwise, they are classified as non-current.

The Group uses interest rate swaps for hedging, which are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of interest rates (for example, fixed rate for floating rate). No exchange of principal takes place. The Group's credit risk represents the potential cost to replace the interest rate swap contracts if counterparties fail to perform their obligation. This risk is monitored on an ongoing basis with reference to the current fair value, a proportion of the notional amount of the contracts and the liquidity of the market.

(a) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of income within 'Finance income/costs'.

Amounts accumulated in equity are recycled in the consolidated statement of income in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the consolidated statement of income within 'Finance income/costs'. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example inventory or fixed assets), the gains and losses previously recorded in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in direct costs.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.20 Derivative financial instruments and hedging activities (continued)

(a) Cash flow hedges that qualify for hedge accounting (continued)

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss and deferred costs of hedging existing in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset (such as inventory) and is recognised when the forecast transaction is ultimately recognised in the consolidated statement of income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the consolidated statement of income within 'Finance income/costs'.

(b) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any of these derivative instruments are recognised immediately in the consolidated statement of income within 'Finance income/costs'.

2.21 Revenue recognition

The Group recognises revenue from contracts with customer based on five step model as outlined under IFRS 15:

Step 1 Identify the contract 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 each of those rights and obligations.

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

Step 3 Determine the transaction price: Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods and 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 consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5 Recognise revenue as and when the Group satisfies a performance obligation.

The Group recognises revenue over time if any one of the following criteria is met:
- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance obligation completed to date.

For performance obligations where none of the above conditions are 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-based asset on the amount of consideration earned by the performance – unbilled receivables. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability – advances from customers.

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

Revenue is recognised in the consolidated financial statements to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if and when applicable, can be measured reliably.

(a) Service charges

For investment property held primarily to earn operating lease income, the Group enters as a lessor into lease agreements that fall within the scope of IFRS 16. Certain lease agreements include certain services offered to tenants (i.e., customers) including common area services (such as security, cleaning, maintenance, utilities) as well as other support services (e.g., customer service and management). The consideration charged to tenants for these services includes fees charged based on a percentage of the operating lease income and reimbursement of certain expenses incurred. These services are specified in the lease agreements and separately invoiced.

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The Group has determined that these services constitute distinct non-lease components (transferred separately from the right to use the underlying asset) and are within the scope of IFRS 15. The contracts of the Group specifically highlight stand-alone price for the services. In respect of the revenue component, these services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. The Group applies the time elapsed method to measure progress.

Income arising from cost recharged to tenants is recognised in the period in which the cost can be contractually recovered. The Group arranges for third parties to provide some of these services to its tenants. The Group concluded that it acts as a principal in relation to these services as it controls the specified services before transferring them to the customer. Therefore, the Group records revenue on a gross basis.

(b) Service income

Services revenue relates to outsourcing services provided to a government authority in relation to incorporation, government and other related services. The revenue is recognised at a point in time when the services are rendered.

2.22 Leases

(a) The Group as Lessee

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 an identified asset for the Group 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 involves 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 this 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 the decision about how and for what purpose the asset is used is 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 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. However, where the contract is not separable into lease and non-lease component then the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

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 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-of-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, the 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.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.22 Leases (continued)

(a) The Group as Lessee (continued)

Lease payments included in the measurement of the lease liability comprise the following:
- 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.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured 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 termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated statement of income if the carrying amount of the right-of-use asset has been reduced to zero.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. 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).

Discounting of lease payments

The lease payments are discounted using the Group's incremental borrowing rate ("IBR"). For calculation of IBR, the Group has taken appropriate benchmarks after adjusting for Group's specific risk, term risk and underlying asset risk.

(b) The Group as a Lessor

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

Operating lease income

The Group earns revenue from acting as a lessor in operating leases which do not transfer substantially all the risks and rewards incidental to ownership of an investment property. In addition, the Group subleases investment property acquired under head leases with lease terms exceeding 12 months at commencement. Subleases are classified as a finance lease or an operating lease by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying investment property. All the Group's subleases are classified as operating leases.

Operating lease income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in revenue in the consolidated statement of income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the underlying asset and recognised as an expense over the lease term on the same basis as the lease income.

Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Group is reasonably certain that the tenant will exercise that option. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the consolidated statement of income when the right to receive them arises.

Finance leases

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying assets. 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 the major part of the economic life of the asset.

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Lease payments are payments made by a lessee to a lessor relating to the right to use an underlying asset during the lease term, comprising the fixed payments, less any lease incentives; variable lease payments; the exercise price for a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. When the Group is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right of use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

Amounts from leases under finance lease are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases. When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

2.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Company's shareholder.

2.24 Segment reporting

Reportable segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the reportable segments, has been identified as the Group's Chief Executive Officer that makes strategic decisions.

2.25 Interest income

Interest income is recognised in the consolidated statement of income on a time proportion basis using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivable is recognised using the original effective interest rate.

2.26 Dividend income

Dividend income is recognised when the right to receive the dividend is established.

2.27 Income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxable entity and tax authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's operations and borrowings expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating to fixed rates.

(a) Market risk

i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the functional currency of the particular Group entity. The Group has no significant exposure to foreign exchange risk as majority of its transactions are in the respective functional currencies of the Group companies.

ii) Cash flow and interest rate risk

The Group is exposed to interest rate risk on its interest-bearing assets and liabilities. Borrowings at variable rates expose the Group to cash flow interest rate risk.

Based on the various scenarios, the Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating to fixed rates. In the case of long-term borrowings from banks and financial institutions, the Group generally borrows funds at floating rates and swaps them into fixed rates. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional amounts.

At 31 December 2024, if interest rates on interest bearing financial assets had been 100 basis points (2023:100 basis points) higher/lower with all other variables held constant, post-tax profit for the year would have been AED 5,787,000 (2023: AED 9,653,000) higher/lower, mainly as a result of higher/lower interest income. In addition, at 31 December 2024 had the Group not entered in any interest rate swap agreements, if interest rates on borrowings had been 100 basis points (2023: 100 basis points) higher/lower with all other variables held constant, post-tax profit for the year would have been AED 52,133,000 (2023: AED 43,518,000) lower/higher, mainly as a result of higher/lower interest expense.

(b) Credit risk

The Group is exposed to credit risk in relation to its monetary assets, mainly trade receivables, lease receivables, derivatives, due from related parties, unbilled receivables and cash and bank balances.

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. When such an event happens, it is considered as a default event. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has established policies under which each new customer is analysed for creditworthiness before Group's standard payment and service delivery terms and conditions are offered.

The credit review can include customer reputation, customer segmentation, business plans, bank references and external credit worthiness databases when available. Derivative financial instruments and bank deposits are limited to high-credit-quality financial institutions. The Group has policies that limit the amount of credit exposure to any financial institution.

The credit quality of cash and bank balances at the balance sheet date can be assessed by reference to external credit ratings as illustrated in the table below:

	2024 AED'000	2023 AED'000
A1	**232,183**	374,749
A2	**226,151**	329,610
A3	**214,404**	358,033
Aa3	**20**	6
Ba1	**–**	100,017
Baa1	**243,687**	372,070
Baa3	**100,000**	–
	1,016,445	1,534,485

The rest of the consolidated balance sheet item, 'cash and bank balances' is cash on hand. The Group's exposure to credit risk arising from trade and unbilled receivables is disclosed in Note 9.

With respect to the credit risk arising from other financial assets of the Group, which comprise due from related parties, other receivables and deposits and financial assets at fair value through other comprehensive income, the Group's exposure to credit risk arises from default of the counterparty, with maximum exposure equal to the carrying amount of these assets.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available. Management reviews cash flows at regular intervals.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant:

	Notes	Less than 3 months AED'000	Between 3 months and 1 year AED'000	Between 1 and 5 years AED'000	More than 5 years AED'000
31 December 2024					
Borrowings		58,778	155,814	5,737,883	–
Trade payables and other liabilities		–	1,062,792	425,235	719,062
Derivative financial instruments	7	–	–	1,131	–
Due to related parties	10	90,604	–	101,873	–
		149,382	**1,218,606**	**6,266,122**	**719,062**

	Notes	Less than 3 months AED'000	Between 3 months and 1 year AED'000	Between 1 and 5 years AED'000	More than 5 years AED'000
31 December 2023					
Borrowings		38,867	121,970	4,963,400	–
Trade payables and other liabilities		–	1,037,643	420,152	821,785
Derivative financial instruments	7	–	–	3,000	–
Due to related parties	10	60,244	–	–	–
		99,111	**1,159,613**	**5,386,552**	**821,785**

Trade payables and other liabilities exclude operating lease advances and contract advances.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of gross debt (borrowings of the Group disclosed in Note 15) and total equity of the Group.

The Group has a target to keep its gearing ratio below 65%, which is determined as a proportion of gross debt to total capital (equity plus gross debt).

The gearing ratios at 31 December 2024 and 2023 were as follows:

	Notes	**2024 AED'000**	2023 AED'000
Total borrowings	15	**5,213,253**	4,351,767
Total equity		**6,707,694**	6,329,007
Total capital		**11,920,947**	10,680,774
Debt to total capital/ gearing ratio		**43.73%**	40.74%

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation
The table below analyses financial instruments carried at fair value, by valuation method.
The different levels have been defined as follows:

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

The fair value of financial instruments traded in active markets is based on quoted market prices at the consolidated balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is based on valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, these instruments are included in level 2. All derivative financial instruments held by the Group have been categorised as level 2 as shown below, where the fair valuation of such instruments has been determined based on discounting future cash flows using observable discount factors. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties. There is no change in the valuation technique in comparison to prior years.

If one or more of the significant inputs is not based on observable market data, these instruments are included in level 3.

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2024 and 2023:

	Level 2 AED'000
2024	
Assets	
Derivatives designated as cash flow hedges	**165,440**
Liabilities	
Derivatives designated as cash flow hedges	**1,131**

	Level 2 AED'000
2023	
Assets	
Derivatives designated as cash flow hedges	221,995
Liabilities	
Derivatives designated as cash flow hedges	3,000

There were no transfers between the levels for recurring fair value measured during the year.

The carrying value of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. Other receivables and payables approximate their fair values.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Key sources of estimation uncertainty
The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Provision for infrastructure costs
The Group recognises provisions for infrastructure based on assessments by third party specialists. This requires the use of significant estimates and judgements to determine the quantum of infrastructure required, the costs and time related to the construction, and the expected share of costs that may be recharged to the master developer. Infrastructure developed or under development by third parties or government authorities will be recharged to the master developer and subsequently to the Group based on its share of such costs. The significant components of infrastructure include construction of roadworks and power stations to service the master planned communities.

The provision for infrastructure costs are based on management's best estimate of the future costs of construction of the related infrastructure facilities and the total costs to be actually incurred will be determined based on inputs from the relevant authorities and cost structures prevalent at each such future date. Hence, the Group's actual cost of infrastructure may be materially different to the current estimates as advised by third party specialists.

(b) Calculation of loss allowance
The Group assesses the impairment of its financial assets based on the ECL model. Under the ECL model, the Group accounts for ECLs and changes in those ECLs at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets. The Group measures the loss allowance at an amount equal to lifetime ECL for its financial instruments.

When measuring ECL, the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. There has been no change in the estimation techniques or significant assumptions in assessing the ECL during the current year.

(c) Useful lives of investment property
Management reviews the residual values and estimated useful lives of investment property at the end of each annual reporting period in accordance with IAS 40. Management determined that current year expectations do not differ from previous estimates based on its review.

(d) Valuation of investment property
The fair value of investment property is determined by an independent registered valuer or the internal valuation performed by the Group's finance department.

The fair values have been determined by taking into consideration market comparable and/or the discounted cash flows where the Group has on-going lease arrangements and operations. In this regard, the Group's current lease arrangements, which are entered into on an arm's length basis and which are comparable to those for similar properties in the same location, have been taken into account.

In case where the Group does not have any on-going lease arrangements, fair values have been determined, where relevant, having regard to recent market transactions for similar properties in the same location as the Group's investment property. These values are adjusted for differences in key attributes such as property size.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Key sources of estimation uncertainty (continued)

(d) Valuation of investment property (continued)

The key assumptions on which management has based its cash flow projections when determining the fair value of the assets are as follows:

- Discount rate based on the Group's weighted average cost of capital with a risk premium reflecting the relative risks in the markets in which the businesses operate.
- Growth rate based on long-term rate of growth.

Management of the Group has reviewed the assumption and methodology used by the independent registered valuer and/or internal specialist and in their opinion these assumptions and methodology seems reasonable as at the reporting date considering the current economic and real estate outlook in UAE.

(e) Impairment of non-financial assets

Asset recoverability is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the recoverable amount, which is the higher of the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate ("value in use"), and the assets' fair value less costs to sell.

No impairment charge has been recognised against property and equipment, investment property and intangible assets.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the management have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

(a) Identification of a cash generating unit

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Group determines the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs (the asset's cash-generating unit). Where a reasonable and consistent basis of allocation can be identified, corporate assets (infrastructure costs) are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In identifying whether cash inflows from an asset (or group of assets) are largely independent of the cash inflows from other assets (or groups of assets), the Group considers various factors including how management monitors the Group's operations or how management makes decisions about continuing or disposing of the Group's assets and operations.

Certain assets developed to enhance the ecosystem of master planned communities do not generate cash inflows that are largely independent and generate incidental revenue only. Because these assets do not generate largely independent cash inflows, the recoverable amount of these assets cannot be determined. As a consequence, if there is an indication that these assets may be impaired, recoverable amount is determined for the cash-generating unit or group of cash-generating units to which these assets belong, and is compared with the carrying amount of this cash-generating unit or group of cash-generating units.

(b) Income taxes

The Group's current tax provision of AED 38,222,000 (2023: AED Nil) relates to management's assessment of tax liabilities on open positions, based on current interpretations of CT Law and applicable guidance.

5. PROPERTY AND EQUIPMENT

	Notes	Buildings AED'000	Building interior improvements, furniture and fixtures AED'000	Computer hardware AED'000	Motor vehicles AED'000	Other assets AED'000	Capital work-in-progress AED'000	Total AED'000
2024								
Cost								
At 1 January 2024		**137,840**	**128,315**	**46,181**	**1,364**	**19,077**	**154**	**332,931**
Additions		–	4,425	534	–	1,364	–	6,323
Transfers from/(to) investment property	6	–	395	–	–	–	(154)	241
Disposals		–	–	(20)	–	–	–	(20)
Reclassifications		(2,783)	2,783	–	–	–	–	–
Write-off		–	–	–	–	(1,167)	–	(1,167)
At 31 December 2024		**135,057**	**135,918**	**46,695**	**1,364**	**19,274**	**–**	**338,308**
Accumulated depreciation								
At 1 January 2024		**55,611**	**123,195**	**44,775**	**986**	**14,905**	**–**	**239,472**
Depreciation charge		3,496	2,056	865	378	2,153	–	8,948
Transfers from investment property	6	–	182	–	–	–	–	182
Disposals		–	–	(20)	–	–	–	(20)
Write-off		–	–	–	–	(1,167)	–	(1,167)
At 31 December 2024		**59,107**	**125,433**	**45,620**	**1,364**	**15,891**	**–**	**247,415**
Net book value at 31 December 2024		**75,950**	**10,485**	**1,075**	**–**	**3,383**	**–**	**90,893**

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

5. PROPERTY AND EQUIPMENT (continued)

	Notes	Buildings AED'000	Building interior improvements, furniture and fixtures AED'000	Computer hardware AED'000	Motor vehicles AED'000	Other assets AED'000	Capital work-in-progress AED'000	Total AED'000
2023								
Cost								
At 1 January 2023		**137,840**	**124,873**	**45,415**	**1,364**	**14,137**	**390**	**324,019**
Additions		–	1,778	839	–	4,940	154	7,711
Transfers from/(to) investment property	6	–	1,664	–	–	–	(390)	1,274
Transfers to related parties		–	–	(18)	–	–	–	(18)
Disposals		–	–	(55)	–	–	–	(55)
At 31 December 2023		**137,840**	**128,315**	**46,181**	**1,364**	**19,077**	**154**	**332,931**
Accumulated depreciation								
At 1 January 2023		**52,115**	**118,611**	**43,997**	**456**	**11,845**	**–**	**227,024**
Depreciation charge		3,496	2,920	838	530	3,060	–	10,844
Transfers from investment property	6	–	1,664	–	–	–	–	1,664
Transfers to related parties		–	–	(5)	–	–	–	(5)
Disposals		–	–	(55)	–	–	–	(55)
At 31 December 2023		**55,611**	**123,195**	**44,775**	**986**	**14,905**	**–**	**239,472**
Net book value at 31 December 2023		**82,229**	**5,120**	**1,406**	**378**	**4,172**	**154**	**93,459**

The depreciation charge for the year is recognised under general and administrative expenses amounting to AED 8,948,000 (2023: AED 10,844,000).

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6. INVESTMENT PROPERTY

	Notes	Land AED'000	Buildings and improvements AED'000	Infrastructure AED'000	Capital work-in-progress AED'000	Total AED'000
2024						
Cost						
At 1 January 2024		**3,687,468**	**10,521,991**	**3,244,663**	**3,599,897**	**21,054,019**
Additions		414,162	1,353,806	–	619,901	2,387,869
Transfers to related parties	10	–	–	–	(23,335)	(23,335)
Transfers (to)/from property and equipment	5	–	(395)	–	154	(241)
Transfers within other captions of investment property		–	60,188	54,718	(114,906)	–
At 31 December 2024		**4,101,630**	**11,935,590**	**3,299,381**	**4,081,711**	**23,418,312**
Accumulated depreciation and impairment						
At 1 January 2024		**1,946,344**	**4,614,437**	**1,102,968**	**1,525,728**	**9,189,477**
Depreciation charge	22	–	357,229	52,191	–	409,420
Transfers from investment property	5	–	(182)	–	–	(182)
At 31 December 2024		**1,946,344**	**4,971,484**	**1,155,159**	**1,525,728**	**9,598,715**
Net book value at 31 December 2024		**2,155,286**	**6,964,106**	**2,144,222**	**2,555,983**	**13,819,597**

During the year, the Group acquired investment property from fellow subsidiaries for a total consideration of AED 958,231,000, recorded in accordance with the Group's accounting policy (Note 10).

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

6. INVESTMENT PROPERTY (continued)

	Notes	Land AED'000	Buildings and improvements AED'000	Infrastructure AED'000	Capital work-in-progress AED'000	Total AED'000
2023						
Cost						
At 1 January 2023		**3,687,468**	**10,355,799**	**3,244,663**	**3,405,743**	**20,693,673**
Additions		–	–	–	382,041	382,041
Transfers to related parties	10	–	–	–	(20,421)	(20,421)
Transfers (to)/from property and equipment	5	–	(1,664)	–	390	(1,274)
Transfers within other captions of investment property		–	167,856	–	(167,856)	–
At 31 December 2023		**3,687,468**	**10,521,991**	**3,244,663**	**3,599,897**	**21,054,019**
Accumulated depreciation and impairment						
At 1 January 2023		**1,946,344**	**4,303,841**	**1,043,833**	**1,525,728**	**8,819,746**
Depreciation charge	22	–	312,260	59,135	–	371,395
Transfers from investment property	5	–	(1,664)	–	–	(1,664)
At 31 December 2023		**1,946,344**	**4,614,437**	**1,102,968**	**1,525,728**	**9,189,477**
Net book value at 31 December 2023		**1,741,124**	**5,907,554**	**2,141,695**	**2,074,169**	**11,864,542**

During the year, the Group acquired investment property from fellow subsidiaries for a total consideration of AED 958,231,000, recorded in accordance with the Group's accounting policy (Note 10).

The Group repossessed certain capital work-in-progress upon court settlements, which were recorded at fair value in accordance with the Group's accounting policy. This transaction resulted in a gain of AED 65,670,000, which is included in other operating income Note 23(a).

The capital work-in-progress encompasses buildings, land, and infrastructure currently under construction, intended for future use as investment properties.

The depreciation charge for the year is recognised under direct costs, amounting to AED 409,420,000 (AED 371,395,000).

As at 31 December 2024 and 2023, no investment property have been pledged as security against loan facilities obtained by the Group (Note 15).

The following amounts have been recognised in the consolidated statement of income in respect of investment property:

	Notes	2024 AED'000	2023 AED'000
Operating lease income	21	**2,106,784**	1,933,534
Direct costs (including depreciation) arising from investment property that generated operating lease income		**757,263**	668,423

Valuation techniques underlying management's estimation of fair value

The 'Income capitalisation and residual price methods' have been applied for the fair valuation of income generating properties.

The sales comparison and income capitalisation methods have been applied for the valuation of land held by the Group.

'Income capitalisation method' is a growth implicit valuation technique. The term (current/passing) income is based on the gross income generated from the contracted lease agreement(s) in place (including any anticipated changes at future rent reviews) and the reversionary income stream is based on the estimated market rent of the property at the valuation date.

The hypothetical purchaser's operating costs associated with ownership of the property (including current and future anticipated void periods) are deducted to arrive at the term and reversionary net operating income streams ("NOI"). The NOI streams are then capitalised over the term of the lease agreement(s) in place or in perpetuity respectively using a market related yield. The significant unobservable inputs used in the fair value measurement categorised within level 3 of the fair value hierarchy using income capitalisation method are stabilised average monthly market rent and capitalisation rate.

'Sales comparison method' involves determination of the value of the investment property with reference to comparable market transactions for properties in close proximity. These values are adjusted for differences in key attributes such as size, gross floor area and location. The valuation method adopted for these properties fall under level 3. The significant unobservable input used in the fair value measurement categorised within level 3 of the fair value hierarchy using sales comparison method is sales rate per Gross Floor Area ("GFA").

'Residual price method' involves determination of the estimated selling price of a project development on the respective plots of land; reduced by the estimated construction and other costs to completion that would be incurred by a market participant and an estimated profit margin that a market participant would require to hold and develop the plots to completion. The significant inputs into this valuation approach are the estimated selling prices, costs to complete and developers' margins. The valuation method adopted for these land plots fall under level 3.

There were no changes to the valuation techniques during the years presented.

For all investment properties, their current use approximately equates to the highest and best use.

As at 31 December 2024, the estimated fair value of the Group's investment property is AED 27,874,364,000 (2023: AED 22,934,827,000).

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

7. DERIVATIVE FINANCIAL INSTRUMENTS

	Notional amount AED'000	Assets AED'000	Liabilities AED'000
At 31 December 2024			
Designated as cash flow hedges			
Interest rate swap contracts	3,531,268	165,440	1,131
At 31 December 2023			
Designated as cash flow hedges			
Interest rate swap contracts	3,990,747	221,995	3,000

The Group uses derivatives only for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria under IFRS Accounting Standards, they are classified as 'held for trading' for accounting purposes as required by IFRS Accounting Standards. In particular, the Group uses interest rate swaps to minimise the effect of interest rate fluctuations on its borrowings. The contracts entered into by the Group are principally denominated in AED. The fair values of these contracts are recorded in the consolidated balance sheet and is determined by reference to valuations by reputable external financial institutions.

Interest rate swaps are commitments to exchange one set of cash flows for another. The swaps result in an economic exchange of interest rates, no exchange of principal takes place. These swap transactions entitle the Group to receive or pay amounts derived from interest rate differentials between an agreed fixed interest rate and the applicable floating rate prevailing at the beginning of each interest period.

At 31 December 2024, the fixed interest rates vary from 1.52% to 4.37% per annum (2023: 1.52% to 4.37% per annum). The floating rates are linked to Emirates Interbank Offered Rate ("EIBOR").

Changes in the fair market values of interest rate swaps that are considered effective and designated as cash flow hedges are recognised in the hedge reserve in other comprehensive income. Amounts are reclassified to the consolidated statement of income when the associated hedged transaction affects the consolidated statement of income. There was no ineffectiveness to be recorded from the cash flow hedges. The change in fair values of interest rate swaps designated as cash flow hedges for the year ended 31 December 2024 amounted to a loss of AED 54,686,000 (2023: loss of AED 93,707,000). The related tax on the fair value loss on cash flow hedge for the year is AED 4,922,000 (2023: AED Nil), which has been set off against the fair value loss disclosed in the other comprehensive income.

In 2023, certain derivatives designated as hedging instruments were settled, and therefore hedge accounting is discontinued prospectively on these items. The amount of AED 23,945,000 that had been accumulated in the hedge reserve has been recycled through the consolidated statement of income.

As at 31 December 2024, derivative financial instruments include interest rate swaps entered into with a related party financial institution, with a fair value of AED 64,689,000 (2023: AED 85,308,000).

8. OTHER RECEIVABLES

	2024 AED'000	2023 AED'000
Advances to contractors and suppliers	**53,035**	71,778
Finance lease receivables	**15,468**	18,336
Prepayments	**36,711**	19,902
Other receivables	**12,947**	29,002
	118,161	139,018
Less: non-current	**(11,347)**	(14,215)
Current	**106,814**	124,803

Finance lease receivables relate to property leases with a lease term of up to 50 years. The lease term generally provides an option to lessees to buy the properties after initial period (usually 10 years). The leases carry interest rate linked to EIBOR. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable.

A summary of the gross repayment schedule for the finance lease receivable is presented below:

	2024 AED'000	2023 AED'000
Within one year	**4,121**	4,121
After one year but not more than five years	**11,541**	14,475
	15,662	18,596
Unearned future finance income on finance leases	**(194)**	(260)
Net investment in finance leases	**15,468**	18,336

The fair value of long-term finance receivables has been estimated by discounting the gross value of finance lease receivables using a borrowing rate of 6% (2023: 6%).

9. TRADE AND UNBILLED RECEIVABLES

	2024 AED'000	2023 AED'000
Trade receivables	**172,516**	193,814
Less: loss allowance	**(77,939)**	(91,655)
	94,577	102,159
Less: non-current	–	–
Current	**94,577**	102,159
Unbilled receivables – operating leases	**963,331**	958,987
Less: loss allowance	**(55,025)**	(156,930)
	908,306	802,057
Less: non-current	**(821,126)**	(802,057)
Current	**87,180**	–
Trade and unbilled receivables		
Current	**181,757**	102,159
Non-current	**821,126**	802,057
	1,002,883	904,216

The fair values of trade and unbilled receivables approximate their carrying amounts.

Unbilled receivables arise on revenue recognition based on straight lining which is mainly driven by rent free periods and rent escalation as per the contracts.

The Group has a broad base of customers with no concentration of credit risk within trade receivables at 31 December 2024 and 2023. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable:

	2024 AED'000	2023 AED'000
Trade receivables and unbilled receivables		
Not past due	**979,404**	958,987
Up to 3 months	**66,591**	59,244
3 to 6 months	**7,449**	9,877
Over 6 months	**82,403**	124,693
	1,135,847	1,152,801

	2024 AED'000	2023 AED'000
Loss allowance against trade receivables and unbilled receivables		
Not past due	**55,351**	156,930
Up to 3 months	**5,464**	8,129
3 to 6 months	**6,333**	7,392
Over 6 months	**65,816**	76,134
	132,964	248,585

The provision against not past due receivables reflects loss allowance against specific customers considered having a higher probability of default. The creation and release of the loss allowance on receivables are recognised in the consolidated statement of income under general and administrative expenses. Amounts charged to the allowance account are written off when there is no expectation of recovering additional cash. The Group's trade and unbilled receivables are denominated in AED.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

9. TRADE AND UNBILLED RECEIVABLES (continued)

The movement in the Group's loss allowance on trade receivables is as follows:

	2024 AED'000	2023 AED'000
At 1 January	91,655	119,783
Provision for/(reversal of) loss allowance – net	7,074	(28,128)
Write off	(20,790)	–
At 31 December	77,939	91,655

The movement in the Group's loss allowance on unbilled receivables is as follows:

	2024 AED'000	2023 AED'000
At 1 January	156,930	166,765
(Reversal of)/provision for loss allowance – net	(4,598)	1,747
Write off	(97,307)	(11,582)
At 31 December	55,025	156,930

There has been no change in the estimation techniques or significant assumptions made in assessing the ECL during the current year.

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties comprise major shareholders, ultimate parent company, intermediate parent company, parent company and key management personnel and businesses which are controlled directly by the major shareholders or key management personnel. Related parties also include entities over which the ultimate parent company has control or significant influence. The term of the related party transactions are approved by the management.

(a) Due from related parties

	2024 AED'000	2023 AED'000
Intermediate Parent Company	–	49
Parent Company	1,413	1,691
Other subsidiaries of the Parent Company	26,370	14,774
Other related parties	27,207	18,911
	54,990	35,425
Less: non-current	–	–
Current	54,990	35,425

The amount due from related parties as at 31 December 2024 and 2023 are unsecured in nature and bear no interest. The maximum exposure to credit risk at the reporting date is the fair value of each of the amount receivable from related parties.

The fair values of due from related parties approximate their carrying amounts and are fully performing at 31 December 2024 and 2023.

Due from and due to related party balances are offset and presented on a net basis in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to either settle on a net basis or realise the assets and liabilities simultaneously.

(b) Due to related parties

	2024 AED'000	2023 AED'000
Ultimate Parent Company	16,042	9,111
Other subsidiaries of the Parent Company	130,381	11,520
Other related parties	36,947	39,613
	183,370	60,244
Less: non-current	(92,766)	–
Current	90,604	60,244

The payables to related parties arise mainly from purchase transactions and are non-interest bearing.

As at 31 December 2024, the amount due to related parties includes AED 113,141,000, which pertains to obligations arising from the acquisition of investment property from fellow subsidiaries (Note 6). Of this amount, AED 92,766,000 is classified as a non-current liability, representing the net present value of obligations with a repayment term of three years. This classification reflects the long-term nature of the liability, consistent with the terms of the underlying agreements, as repayment extends beyond one year.

(c) Related party transactions

Break up of other significant transactions with related parties in the normal course of the business is as follows:

	2024 AED'000	2023 AED'000
Transactions between related parties:		
Dividends declared to Parent Company	700,000	525,000
Acquisition of investment property from fellow subsidiaries	958,231	–
Transfer of investment property to fellow subsidiaries	23,335	20,421
Services provided to related parties included in revenue:		
Operating lease income from fellow subsidiaries and other related parties	49,462	29,303
Services income from fellow subsidiaries and other related parties	6,687	5,291
Services provided by related parties included in expenses:		
Direct costs – operation and maintenance costs		
– Fellow subsidiary	1,402	2,615
– Entities under common control	109,984	99,488
– Other related parties	63,115	52,160
General and administrative expenses – cost recharged		
– Ultimate Parent Company	1,672	1,752
– Fellow subsidiaries	49,422	47,803
– Other related parties	2,884	3,795
Transactions with related party institution:		
Finance income	21,895	–
Finance costs and other bank charges	76,718	–

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

(d) Remuneration of key management personnel
The compensation to key management personnel for employee services is shown below:

	2024 AED'000	2023 AED'000
Salaries and other short-term employee benefits	22,205	18,170
End of service, termination and other post-employment	1,060	732
Board of Directors' remuneration	7,990	1,926
	31,255	20,828

Board of Directors' remuneration for the year ended 31 December 2024 is recorded in Accrued expenses under 'Trade and other payables' in the consolidated financial statements and will be approved in the next Annual General Meeting.

11. CASH AND BANK BALANCES

	2024 AED'000	2023 AED'000
Cash on hand	594	698
Cash at banks		
- Current account	437,767	569,184
- Fixed deposits	578,678	965,301
	1,017,039	1,535,183

Cash and cash equivalents include the following for the purposes of the consolidated statement of cashflows:

	2024 AED'000	2023 AED'000
Cash and bank balances	1,017,039	1,535,183
Fixed deposits with maturities greater than 3 months	(378,678)	(865,301)
	638,361	669,882

Bank accounts are maintained with locally incorporated banks and fixed deposits yield interest rates ranging from 3.85% to 5.05% per annum (2023: 5.09% to 5.75%).

As at 31 December 2024, cash and bank balances include AED 222,192,000 (2023: AED 329,610,000) held with a related party financial institution.

12. SHARE CAPITAL

The total authorised and issued share capital of the Company comprises 5,000,000,000 shares (2023: 5,000,000,000 shares) of AED 0.10 each. All shares were fully paid-up.

13. STATUTORY RESERVE

In accordance with the UAE Federal Decree Law No. (32) of 2021 and Articles of Association, 10% of the profit for the year of the public joint stock company and 5% of the profit for the year of each UAE limited liability registered company are transferred to a statutory reserve, which is not distributable. Transfers to this reserve are required to be made until such time as it equals at least 50% of the paid-up share capital of the respective companies. Accordingly, for the year ending 31 December 2024, transfers to the statutory reserve are expected to be made by the individual entities within the Group at the end of the year in line with the aforementioned policy.

As at 31 December 2024 and 2023, statutory reserve of the Company amounted to AED 250,000,000. The remaining amount pertains to the subsidiaries of the Group.

14. TRADE AND OTHER PAYABLES

	2024 AED'000	2023 AED'000
Trade payables	89,494	72,489
Accrued expenses	216,218	222,589
Other payables	27,346	56,749
	333,058	351,827
Less: non-current	(2,728)	(3,304)
Current	330,330	348,523

15. BORROWINGS

	2024 AED'000	2023 AED'000
Bank borrowings	5,250,000	4,400,000
Unamortised transaction costs	(36,747)	(48,233)
Carrying amount	5,213,253	4,351,767
Less: non-current	(5,213,253)	(4,351,767)
Current	–	–

On 14 June 2023, the Group refinanced its existing bank facilities through a facility aggregating to AED 7,600,000,000 with multiple tranches from consortium of banks, in exchange of settlement of existing obligation. As at 31 December 2024, the unamortised transaction costs amounted to AED 36,747,000 (2023: AED 48,233,000).

The purpose of the loan facility is to repay existing facilities and for general corporate purposes of the Group. The facility is repayable in a single bullet payment in 2028.

As at 31 December 2024, the Group has undrawn floating rate borrowing amounting to AED 2,350,000,000 from the above facility (2023: AED 3,200,000,000).

The Group has sufficient headroom to enable it to conform to covenants on its existing borrowings and sufficient working capital and undrawn financing facilities to service its operating activities and ongoing investments as at 31 December 2024 and 2023.

Below are major financial covenants as required by the terms of the facility:

i) Leverage for each period not to exceed certain ratios as specified in the facility agreement.
ii) Debt Service Cover Ratio not to be less than 1.20:1.
iii) Minimum Net Worth in respect of any relevant period not to be less than AED 3,673,000,000 (or its equivalent in any other currency).

The Group has complied with all covenants in line with the borrowing facility agreements at each reporting period. The Group has not had any defaults of principal, interest or redemption amounts during the periods on its borrowed funds. Interest rates on the above bank borrowings ranged from 5.59% to 6.35% (2023: ranged from 6.12% to 6.35%) per annum.

Total borrowings of AED 5,250,000,000 (2023: AED 4,400,000,000) are subject to re-pricing within three months of the consolidated balance sheet date. The Group's borrowings are denominated in AED.

As at 31 December 2024, borrowings include AED 2,085,301,000 (2023: AED 1,740,707,000) obtained from a related party financial institution.

The maturity profile of the borrowings is as follows:

	2024 AED'000	2023 AED'000
Within one year	–	–
After one year but not more than five years	5,250,000	4,400,000
	5,250,000	4,400,000

16. ADVANCES FROM CUSTOMERS

	2024 AED'000	2023 AED'000
Operating lease advances	1,269,066	1,187,616
Contract advances	44,154	42,144
Refundable deposits	262,760	230,378
	1,575,980	1,460,138
Less: non-current	(606,757)	(623,533)
Current	969,223	836,605

Operating lease advances and contract advances represents amounts collected from customers in advance which are subsequently released to the consolidated statement of income once the revenue recognition criteria are met.

The movement of contract advances is as follows:

	2024 AED'000	2023 AED'000
At 1 January	42,144	35,809
Amount billed	157,421	146,668
Revenue recognised	(155,411)	(140,333)
At 31 December	44,154	42,144

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

17. PROJECT LIABILITIES

	2024 AED'000	2023 AED'000
Project payables	1,133,821	1,158,574
Retentions payable	126,688	131,404
	1,260,509	1,289,978
Less: non-current	(786,913)	(829,445)
Current	473,596	460,533

Project payables include amounts contracted with a government authority to cover the Group's share of costs for roadworks serving the Group's developments. The present value of these payables is AED 876,502,000 (2023: AED 923,675,000). These costs are settled through agreed annual fixed installments and are recognized at the present value of the expected cash outflows, discounted at a rate of 6.49% (2023: 6.49%).

The fair value of non-current retentions payable is determined by discounting the gross value of these liabilities using a risk-free rate adjusted by a liability-specific discount rate of 5.39% (2023: 5.39%). This valuation is classified as Level 3 within the fair value hierarchy due to the reliance on unobservable inputs.

18. EMPLOYEES' END OF SERVICE BENEFITS

	2024 AED'000	2023 AED'000
At 1 January	43,912	43,909
Charge for the year	4,101	4,177
Payments	(1,280)	(4,174)
At 31 December	46,733	43,912

19. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	2024 AED'000	2023 AED'000
Provision for infrastructure cost	902,807	902,807
Provision for legal claims	27,856	21,585
	930,663	924,392
Less: non-current	(902,807)	(902,807)
Current	27,856	21,585

20. DIVIDENDS

At the Annual General Meeting held on 14 March 2023, shareholders approved the distribution of dividends amounting to AED 200,000,000 (AED 0.04 per share).

On 1 August 2023, the Board of Directors approved the distribution of interim dividends of AED 400,000,000 (AED 0.08 per share).

At the Annual General Meeting held on 4 March 2024, shareholders approved the distribution of final cash dividends of AED 400,000,000 (AED 0.08 per share).

On 1 August 2024, the Board of Directors approved the distribution of interim cash dividends of AED 400,000,000 (AED 0.08 per share).

On 5 February 2025, the Board of Directors has recommended cash dividend of AED 400,000,000 (AED 0.08 per share), which is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

21. REVENUE

	Notes	2024 AED'000	2023 AED'000
Operating lease income	6	2,106,784	1,933,534
Service income		295,218	239,663
		2,402,002	2,173,197

The payments for service income are received in advance and have no significant financing component.

The aggregate amount of sale price allocated to performance obligations that are unsatisfied/partially satisfied as at 31 December 2024 amounted to AED 44,154,000 (2023: AED 42,144,000). The Group expects to recognise revenue from these unsatisfied performance obligations over a period of 2 years.

22. DIRECT COSTS

	Notes	2024 AED'000	2023 AED'000
Depreciation	6	409,420	371,395
Operation and maintenance costs		390,624	338,015
Payroll and related costs	25	49,496	50,972
		849,540	760,382

23. OTHER OPERATING INCOME

	Notes	2024 AED'000	2023 AED'000
Lease termination and other penalties	23(a)	85,676	15,039
Cost recovery		30,188	27,135
Liabilities written back		16,587	12,589
Others		5,052	1,292
		137,503	56,055

(a) A gain of AED 65,670,000 (2023: AED Nil) was recognised from the repossession of capital work-in-progress (Note 6).

24. GENERAL AND ADMINISTRATIVE EXPENSES

	Notes	2024 AED'000	2023 AED'000
Payroll and related costs	25	82,531	71,279
Management fees and consultancy		47,303	46,723
Depreciation and amortisation		19,902	23,111
Information technology		17,197	20,458
Professional memberships		11,197	3,877
Administration fees		6,098	6,815
Communication		4,054	3,825
Provision for/(reversal of) loss allowance on receivables - net	9	2,476	(26,381)
Others		14,184	17,290
		204,942	166,997

25. PAYROLL AND RELATED COSTS

	2024 AED'000	2023 AED'000
Salaries and allowances	130,412	121,178
End of service benefits and pension	7,009	6,908
	137,421	128,086

Payroll and related costs are split as follows:

	Notes	2024 AED'000	2023 AED'000
Direct costs	22	49,496	50,972
General and administrative expenses	24	82,531	71,279
Marketing and selling expenses	26	5,394	5,835
		137,421	128,086

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

26. MARKETING AND SELLING EXPENSES

	Notes	2024 AED'000	2023 AED'000
Promotions		39,514	31,546
Advertising		9,570	5,442
Payroll and related costs	25	5,394	5,835
		54,478	42,823

Promotions include social contributions amounting to AED 199,000 (2023: AED 358,000).

27. FINANCE COSTS – NET

	2024 AED'000	2023 AED'000
Interest (expense)/income on:		
Bank borrowings	(297,435)	(292,953)
Derivative financial instruments	116,862	127,772
Amortisation of transaction costs	(10,839)	(64,323)
Unwinding of discount on non-current liabilities	(32,044)	(32,863)
Other finance costs	(203)	–
	(223,659)	(262,367)
Interest earned on:		
Bank fixed deposits	22,438	27,090
Islamic deposits	9,811	14,888
Current accounts	32,441	14,367
Gains on derivatives	–	23,945
Other finance income	1,290	1,302
	65,980	81,592
	(157,679)	(180,775)

28. CURRENT INCOME TAX AND DEFERRED INCOME TAX

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. As the Group's accounting year ends on 31 December, the first tax period will be the period from 1 January 2024 to 31 December 2024, with the respective tax return to be filed on or before 30 September 2025.

The taxable income of the entities that are in scope for UAE CT purposes will be subject to the rate of 9% corporate tax for mainland entities and where conditions are met, 0% for freezones.

The tax charge for the year ended 31 December 2024 is AED 38,222,000 (2023: AED Nil), representing an Effective Tax Rate ("ETR") of 3.02% (2023: Nil). The deviation from the UAE statutory tax rate (i.e. 9%) is primarily driven by subsidiaries operating in free zones that are subject to 0%.

The component of income tax expense in the consolidated statement of income follows:

	2024 AED'000	2023 AED'000
Current income tax expense	(38,222)	–

Following is the reconciliation of current income tax expense and accounting profit:

	2024 AED'000	2023 AED'000
Accounting profit for the period before tax	1,266,673	1,078,275
Income tax at UAE statutory rate of 9%	114,001	–
Tax effect of amounts which are taxable at 0%:		
Income from qualifying free zone entities	(75,745)	–
Adjustments for income up to AED 375,000	(34)	
Total corporate income tax charge for the year	38,222	–
Effective tax rate	3.02%	–

As at 31 December 2024, current tax liabilities amounted to AED 38,222,000 (2023: AED Nil).

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The deferred tax assets comprise of the following temporary difference:

	2024 AED'000	2023 AED'000
Fair value loss on cash flow hedges	(54,686)	–
Deferred tax assets	4,922	–

29. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing consolidated profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical. The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2024 AED'000	2023 AED'000
Earnings		
Earnings for the purpose of basic and diluted earnings per share (consolidated profit for the year attributable to owners of the Company) rounded to the nearest AED'000	1,228,451	1,078,275
Weighted average number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	5,000,000,000	5,000,000,000
Basic and diluted earnings per share attributable to owners of the Company rounded to the nearest Fil	0.25	0.22

30. CASH GENERATED FROM OPERATIONS

	Notes	2024 AED'000	2023 AED'000
Profit for the year		1,228,451	1,078,275
Adjustments for:			
Depreciation and amortisation		429,322	394,506
Provision for/(reversal of) loss allowance on receivables – net	9	2,476	(26,381)
Provisions for end of service benefits and other liabilities and charges	9	10,294	5,223
Lease terminations	23	(65,670)	–
Liabilities written back	23	(16,587)	(12,589)
Finance income	27	(65,980)	(81,592)
Finance costs	27	223,659	262,367
Income tax expense	28	38,222	–
		1,784,187	1,619,809
Changes in operating assets and liabilities:			
Trade and other receivables, before provision and write-off and excluding advances to contractors		(141,469)	(9,552)
Trade payables and other payables excluding project liabilities and related provisions		146,326	3,014
Due from related parties		3,770	15,135
Due to related parties		30,360	6,553
Cash generated from operations		1,823,174	1,634,959

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

31. FINANCIAL INSTRUMENTS BY CATEGORY

The accounting policies for financial instruments have been applied to the following line items:

	Notes	Financial assets at amortised cost AED'000	Derivatives used for hedging AED'000	Total AED'000
Assets				
31 December 2024				
Derivative financial instruments	7	–	165,440	165,440
Trade and other receivables		1,025,824	–	1,025,824
Due from related parties	10	54,990	–	54,990
Cash and bank balances	11	1,017,039	–	1,017,039
		2,097,853	**165,440**	**2,263,293**
31 December 2023				
Derivative financial instruments	7	–	221,995	221,995
Trade and other receivables		942,070	–	942,070
Due from related parties	10	35,425	–	35,425
Cash and bank balances	11	1,535,183	–	1,535,183
		2,512,678	**221,995**	**2,734,673**

Trade and other receivables exclude advances to contractors and suppliers, prepayments and other receivables.

	Notes	Derivatives used for hedging AED'000	Other financial liabilities AED'000	Total AED'000
Liabilities				
31 December 2024				
Trade payables and other liabilities		–	1,856,327	1,856,327
Derivative financial instruments	7	1,131	–	1,131
Due to related parties	10	–	183,370	183,370
Borrowings	15	–	5,213,253	5,213,253
		1,131	**7,252,950**	**7,254,081**
31 December 2023				
Trade payables and other liabilities		–	1,872,183	1,872,183
Derivative financial instruments	7	3,000	–	3,000
Due to related parties	10	–	60,244	60,244
Borrowings	15	–	4,351,767	4,351,767
		3,000	**6,284,194**	**6,287,194**

Trade payables and other liabilities exclude operating lease advances and contract advances.

32. NET DEBT RECONCILIATION

	Notes	2024 AED'000	2023 AED'000
Cash and bank balances	11	**1,017,039**	1,535,183
Borrowings – repayable after one year	15	**(5,213,253)**	(4,351,767)
		(4,196,214)	(2,816,584)

	Cash and bank* AED'000	Borrowing due within 1 year AED'000	Borrowing due after 1 year AED'000	Total AED'000
Net debt as at 1 January 2024	**1,535,183**	**–**	**(4,351,767)**	**(2,816,584)**
Cash flows	(518,144)	–	(850,000)	(1,368,144)
Other non-cash movement	–	–	(11,486)	(11,486)
Net debt as at 31 December 2024	**1,017,039**	**–**	**(5,213,253)**	**(4,196,214)**
Net debt as at 1 January 2023	**1,260,514**	**–**	**(4,341,982)**	**(3,081,468)**
Cash flows	274,669	–	53,796	328,465
Other non-cash movement	–	–	(63,581)	(63,581)
Net debt as at 31 December 2023	**1,535,183**	**–**	**(4,351,767)**	**(2,816,584)**

* The presentation of cash and bank balances within the net debt reconciliation is a voluntary inclusion in addition to the reconciliation of liabilities arising from financing activities as disclosed in the consolidated statement of cashflows.

33. COMMITMENTS

(a) Capital commitments

	2024 AED'000	2023 AED'000
Property and equipment	**9,804**	4,679
Intangible assets	**10,332**	5,606
Investment properties	**496,655**	612,463

(b) Operating lease arrangements – the Group as lessor

Operating non-cancellable leases relate to the investment property owned by the Group with lease terms of between 1 to 5 years for building leases and between 20 to 50 years for land leases.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2024 AED'000	2023 AED'000
Later than 5 years	**13,953,659**	12,157,819
Later than 1 year and not later than 5 years	**2,727,581**	2,818,047
Not later than 1 year	**762,767**	798,861
	17,444,007	15,774,727

(c) Operating lease arrangements – the Group as lessee

	2024 AED'000	2023 AED'000
Later than 1 year and not later than 5 years	**3,043**	2,880
Not later than 1 year	**1,265**	715
	4,308	3,595

(d) Contingencies

	2024 AED'000	2023 AED'000
Bank guarantees (i)	**358,222**	–
Letter of credits (ii)	**43,164**	96,602

(i) This represents bank guarantees provided to a related party for investment property acquired on deferred payment plan.

(ii) This pertains to letters of credit issued for construction of certain infrastructure costs of the Group.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024 (continued)

34. SEGMENT REPORTING

Information regarding the Group's reportable segments is set out below in accordance with IFRS 8 Operating Segments. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Group's Chief Executive Officer, as the chief operating decision maker, in order to allocate resources to the segment and to assess its performance. Information reported to the Group's Chief Executive Officer for the purpose of resource allocation and assessment of segment performance focuses on the financial performance of each business segments only. No information that includes the segments' assets and liabilities are reported to the Group's Chief Executive Officer.

The Group is organised into four reportable segments: (i) commercial leasing, (ii) industrial leasing, (iii) land leasing and (iv) services and others. The following describes the types of properties, products or services that fall within each of our financial segments:

- Commercial leasing consists of built to lease and built to suit properties. Built to lease properties are our commercial properties which are typically developed for multiple tenants and are leased out to customers, and include office, retail space and business centres (built to lease). Built to suit properties typically represent our commercial properties where we were able to identify customers in advance of developing the property in order to build a single-tenant customised property that meet a customer's specifications, which are then leased out to them upon completion or similar properties (built to suit).
- Industrial leasing consists of warehouses and staff accommodation (housing for businesses to use to accommodate their workers).
- Land leasing consists of land leases. Our land leases represent land available within our business districts that already has or is expected to develop the necessary infrastructure (such as connecting roads, water, electricity and sewage) that allows us to lease the land. We have intentionally retained such land in order to be able to lease it to customers to suit their specific needs, such as manufacturing, commercial, retail, residential or academic purposes.
- Services consist of fees from the services that we provide, including those generated from our AXS platform, venue management services, property management and leasing agreements and our in5 platform.
- Other segments include businesses that individually do not meet the criteria of a reportable segment. These segments include operations and support functions.

The Group operates primarily in United Arab Emirates and accordingly no further geographical analysis of revenue and profit are given. Segment revenue reported represents revenue generated from customers and there were no intersegment sales.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment results represents the profit earned by each segment before interest, depreciation and amortisation. This is the measure reported to the Group's Chief Executive Officer for the purpose of resource allocation and assessment of segment performance.

Information regarding these segments are as follows:

	Commercial leasing AED'000	Land leasing AED'000	Industrial leasing AED'000	Services and others AED'000	Total AED'000
31 December 2024					
Revenue	1,217,658	532,224	356,902	295,218	2,402,002
Direct cost	(249,063)	(9,176)	(82,100)	(50,285)	(390,624)
Other operating income	46,102	87,787	–	3,614	137,503
Other expenses	(210,119)	(34,316)	(30,927)	(19,845)	(295,207)
Segment results before interest and depreciation and amortisation	**804,578**	**576,519**	**243,875**	**228,702**	**1,853,674**
Depreciation and amortisation	(355,610)	–	(69,352)	(4,360)	(429,322)
Income tax expense	(17,398)	(14,104)	(6,720)	–	(38,222)
Unallocated net finance cost	–	–	–	–	(157,679)
Profit for the year	**431,570**	**562,415**	**167,803**	**224,342**	**1,228,451**
31 December 2023					
Revenue	1,127,536	501,716	304,282	239,663	2,173,197
Direct cost	(231,551)	(3,772)	(66,629)	(36,063)	(338,015)
Other operating income	45,319	10,000	630	106	56,055
Other expenses	(179,139)	(16,774)	(17,854)	(23,914)	(237,681)
Segment results before interest and depreciation and amortisation	**762,165**	**491,170**	**220,429**	**179,792**	**1,653,556**
Depreciation and amortisation	(323,748)	–	(65,000)	(5,758)	(394,506)
Unallocated net finance cost	–	–	–	–	(180,775)
Profit for the year	**438,417**	**491,170**	**155,429**	**174,034**	**1,078,275**

Management primarily relies on net finance cost, not the gross finance income and finance cost in managing all segments and does not allocate to segments. Therefore, unallocated net finance cost is disclosed.

No single customer contributed 10% or more to the Group's revenue.

EPRA Performance Measures

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TECOM Group PJSC is a member of EPRA since its listing on Dubai Financial Market (DFM) in 2022 and among the few real estate companies in the GCC region to adopt the EPRA BPR disclosures.

EPRA Performance Measures
For the year ended 31 December 2024

EPRA Performance Measure	Definition	Purpose	2024 AED'000	2023 AED'000
EPRA Earnings	Earnings from operational activities.	A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.	**1,637,871**	1,501,853
EPRA NAVs	**EPRA Net Reinstatement Value:** Assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	The EPRA NAV set of metrics make adjustments to the NAV per the IFRS financial statements to provide stakeholders with the most relevant information on the fair value of the assets and liabilities of a real estate investment company, under different scenarios.	**20,735,788**	17,180,297
	EPRA Net Tangible Assets: Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.		**20,719,100**	17,159,870
	EPRA Net Disposal Value: Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.		**20,900,098**	17,399,292
EPRA Net Initial Yield (NIY)	Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.	A comparable measure for portfolio valuations. This measure should make it easier for investors to judge themselves, how the valuation of portfolio X compares with portfolio Y. Companies should provide detail on the calculation of the measure and reconciliation between the EPRA NIY and 'topped-up' NIY in the recommended format as shown in Section 3.4."	**6.75%**	6.75%
EPRA 'topped-up' NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).		**6.95%**	7.01%
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	A "pure" (%) measure of investment property space that is vacant, based on ERV.	**7.16%**	10.95%
EPRA Cost Ratios	Administrative & operating costs (including costs of direct vacancy) divided by gross rental income.	A key measure to enable meaningful measurement of the changes in a company's operating costs.	**10.32%**	13.07%
	Administrative & operating costs (excluding costs of direct vacancy) divided by gross rental income.		**8.33%**	10.53%
EPRA LTV	Debt divided by market value of the property	A key (shareholder-gearing) metric to determine the percentage of debt comparing to the appraised value of the properties.	**26.32%**	25.32%

EPRA Earnings	2024 AED'000	2023 AED'000
Earnings per IFRS income statement	**1,228,451**	1,078,275
Adjustments to calculate EPRA Earnings, exclude:		
Changes in value of investment properties, development properties held for investment and other interests	**(409,420)**	(371,395)
Profits or losses on disposal of investment properties, development properties held for investment and other interests	–	–
Profits or losses on sales of trading properties including impairment charges in respect of trading properties.	–	–
Tax on profits or losses on disposals	–	–
Negative goodwill/goodwill impairment	–	–
Changes in fair value of financial instruments and associated close-out costs	–	(52,183)
Acquisition costs on share deals and non-controlling joint venture interests	–	–
Deferred tax in respect of EPRA adjustments	–	–
Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	–	–
Non-controlling interests in respect of the above	–	–
EPRA Earnings	**1,637,871**	1,501,853
Basic number of shares	**5,000,000**	5,000,000
EPRA Earnings per Share (EPS)	**0.33**	0.30
Company specific adjustments:		
Company specific adjustment 1	–	–
Company specific adjustment 2	–	–
Company specific Adjusted Earnings	**1,637,871**	1,501,853
Company specific Adjusted EPS	**0.33**	0.30

EPRA Performance Measures
For the year ended 31 December 2024 (continued)

EPRA Net Asset Value Metrics	2024 AED'000 EPRA NRV	2024 AED'000 EPRA NTA	2024 AED'000 EPRA NDV	2023 AED'000 EPRA NRV	2023 AED'000 EPRA NTA	2023 AED'000 EPRA NDV
IFRS Equity attributable to shareholders	**6,707,694**	**6,707,694**	**6,707,694**	6,329,007	6,329,007	6,329,007
Include/Exclude*:						
i) Hybrid instruments	–	–	–	–	–	–
Diluted NAV	**6,707,694**	**6,707,694**	**6,707,694**	6,329,007	6,329,007	6,329,007
Include*:						
ii.a) Revaluation of IP (if IAS 40 cost option is used)	**14,192,404**	**14,192,404**	**14,192,404**	11,070,285	11,070,285	11,070,285
ii.b) Revaluation of IPUC[1] (if IAS 40 cost option is used)	–	–	–	–	–	–
ii.c) Revaluation of other non-current investments[2]	–	–	–	–	–	–
iii) Revaluation of tenant leases held as finance leases[3]	–	–	–	–	–	–
iv) Revaluation of trading properties[4]	–	–	–	–	–	–
Diluted NAV at Fair Value	**20,900,098**	**20,900,098**	**20,900,098**	17,399,292	17,399,292	17,399,292
Exclude*:						
v) Deferred tax in relation to fair value gains of IP	–	–	–	–	–	–
vi) Fair value of financial instruments	**(164,310)**	**(164,310)**	–	(218,995)	(218,995)	–
vii) Goodwill as a result of deferred tax	–	–	–	–	–	–
viii.a) Goodwill as per the IFRS balance sheet	–	–	–	–	–	–
viii.b) Intangibles as per the IFRS balance sheet	–	**(16,688)**	–	–	(20,427)	–
Include*:	–	–	–	–	–	–
ix) Fair value of fixed interest rate debt	–	–	–	–	–	–
x) Revaluation of intangibles to fair value	–	–	–	–	–	–
xi) Real estate transfer tax	–	–	–	–	–	–
NAV	**20,735,788**	**20,719,100**	**20,900,098**	17,180,297	17,159,870	17,399,292
Fully diluted number of shares	**5,000,000**	**5,000,000**	**5,000,000**	5,000,000	5,000,000	5,000,000
NAV per share	**4.15**	**4.14**	**4.18**	3.44	3.43	3.48

1 Difference between development property held on the balance sheet at cost and fair value of that development property.
2 Revaluation of intangibles to be presented under adjustment (x) Revaluation of Intangibles to fair value and not under this line item.
3 Difference between finance lease receivables held on the balance sheet at amortised cost and the fair value of those finance lease receivables.
4 Difference between trading properties held on the balance sheet at cost (IAS 2) and the fair value of those trading properties.
* "Include" indicates that an asset (whether on or off balance sheet) should be added to the shareholders' equity, whereas a liability should be deducted.
* "Exclude" indicates that an asset (part of the balance sheet) is reversed, whereas a liability (part of the balance sheet) is added back.

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EPRA NIY and 'topped-up' NIY1		2024 AED'000	2023 AED'000
Investment property – wholly owned		**28,012,001**	22,934,827
Investment property – share of JVs/Funds		–	–
Trading property (including share of JVs)		–	–
Less: developments		**1,750,040**	1,293,389
Completed property portfolio		**26,261,961**	21,641,438
Allowance for estimated purchasers' costs		**853,514**	726,973
Gross up completed property portfolio valuation	B	**27,115,475**	22,368,411
Annualised cash passing rental income		**2,244,728**	1,905,703
Property outgoings		**415,039**	396,849
Annualised net rents	A	**1,829,689**	1,508,854
Add: notional rent expiration of rent free periods or other lease incentives[2,3]		**53,540**	58,164
Topped-up net annualised rent	C	**1,883,228**	1,567,018
EPRA NIY	A/B	**6.75%**	6.75%
EPRA "topped-up" NIY[4]	C/B	**6.95%**	7.01%

1 Disclosure of EPRA net yield calculations on a segmental basis is encouraged.
2 Adjustment for unexpired lease incentives such as rent-free periods, discounted rent periods and step rents. The adjustment includes the annualised cash rent that will apply at the expiry of the lease incentive.
3 Companies should disclose the period over which their rent-frees expire in a footnote (or the weighted average if management's view is that this gives a clearer picture).
4 Companies who choose to publish additional yields are encouraged to provide a reconciliation showing the specific adjustments from the EPRA NIY to this company specific yield.

EPRA VACANCY RATE

EPRA vacancy rate is defined as the ratio between the estimated rental value of vacant space and the estimated rental value of the entire Investment Properties portfolio of TECOM Group. Properties under development are not included in the calculation of this ratio.

EPRA Vacancy Rate		2024 AED'000	2023 AED'000
Estimated Rental Value of vacant space	A	**173,390**	233,011
Estimated rental value of the whole portfolio	B	**2,421,713**	2,128,349
EPRA Vacancy Rate	A/B	**7.16%**	10.95%

Across the Investment Properties portfolio, which includes commercial office, retail, industrial warehouses, worker accommodation and land leases, the EPRA vacancy rate has decreased to 7.16% from 10.95% in 2024. This drop in the vacancy rate is largely attributable to the industrial sector, driven by stronger leasing performance in warehouses and worker accommodation, with a 9% increase in occupancy compared to prior year.

EPRA Performance Measures
For the year ended 31 December 2024 (continued)

	EPRA Cost Ratios		2024 AED'000	2023 AED'000
	Include:			
(i)	Administrative/operating expense line per IFRS income statement		**560,334**	551,491
(ii)	Net service charge costs/fees		**156,903**	121,601
(iii)	Management fees less actual/estimated profit element		**-**	-
(iv)	Other operating income/recharges intended to cover overhead expenses less any related profits		**-**	-
(v)	Share of Joint Ventures expenses		**-**	-
	Exclude (if part of the above):			
(vi)	Investment property depreciation		**409,420**	371,395
(vii)	Ground rent costs		**1,402**	3,747
(viii)	Service charge costs recovered through rents but not separately invoiced		**121,114**	78,904
	EPRA Costs (including direct vacancy costs)	A	**185,301**	219,046
(ix)	Direct vacancy costs		**35,789**	42,697
	EPRA Costs (excluding direct vacancy costs)	B	**149,512**	176,349
(x)	**Gross Rental Income less ground rents – per IFRS**		**1,915,845**	1,754,361
(xi)	*Less*: service fee and service charge costs components of Gross Rental Income (if relevant)		**121,114**	78,904
(xii)	*Add*: share of Joint Ventures (Gross Rental Income less ground rents)		**-**	-
	Gross Rental Income	C	**1,794,731**	1,675,457
	EPRA Cost Ratio (including direct vacancy costs)	A/C	**10.32%**	13.07%
	EPRA Cost Ratio (excluding direct vacancy costs)	B/C	**8.33%**	10.53%

Additional Recommended EPRA Disclosure
* Overhead and operating expenses capitalised (incl. share of joint ventures).
* Companies should clearly explain their policy with regard to overheads capitalised even if they do not disclose the amount of overheads capitalised or disclose a nil amount (see explanation).

		Proportionate Consolidation			
2024	Group AED 000 as reported	Share of Joint Ventures AED'000	Share of Material Associates AED'000	Non-controlling Interests AED'000	Combined AED'000
Include:					
Borrowings from Financial Institutions	5,213,253	–	–	–	5,213,253
Commercial paper	–	–	–	–	–
Hybrids (including Convertibles, preference shares, debt, options, perpetuals)	–	–	–	–	–
Bond Loans	–	–	–	–	–
Foreign Currency Derivatives (futures, swaps, options and forwards)	–	–	–	–	–
Net Payables	3,187,579	–	–	–	3,187,579
Owner-occupied property (debt)	–	–	–	–	–
Current accounts (Equity characteristic)	–	–	–	–	–
Exclude:	–	–	–	–	–
Cash and cash equivalents	1,017,039	–	–	–	1,017,039
Net Debt (a)	7,383,793	–	–	–	7,383,793
Include:					
Owner-occupied property	–	–	–	–	–
Investment properties at fair value	27,874,364	–	–	–	27,874,364
Properties held for sale	–	–	–	–	–
Properties under development	–	–	–	–	–
Intangibles	16,688	–	–	–	16,688
Net Receivables	–	–	–	–	–
Financial assets	164.309	–	–	–	164,309
Total Property Value (b)	28,055,361	–	–	–	28,055,361
LTV (a/b)	26.32%	–	–	–	26.32%

EPRA Performance Measures
For the year ended 31 December 2024 (continued)

2023	Group AED'000 as reported	Proportionate Consolidation: Share of Joint Ventures AED'000	Proportionate Consolidation: Share of Material Associates AED'000	Proportionate Consolidation: Non-controlling Interests AED'000	Combined AED'000
Include:					
Borrowings from Financial Institutions	4,351,767	–	–	–	4,351,767
Commercial paper	–	–	–	–	–
Hybrids (including Convertibles, preference shares, debt, options, perpetuals)	–	–	–	–	–
Bond Loans	–	–	–	–	–
Foreign Currency Derivatives (futures, swaps, options and forwards)	–	–	–	–	–
Net Payables	3,051,832	–	–	–	3,051,832
Owner-occupied property (debt)	–	–	–	–	–
Current accounts (Equity characteristic)	–	–	–	–	–
Exclude:	–	–	–	–	–
Cash and cash equivalents	1,535,183	–	–	–	1,535,183
Net Debt (a)	5,868,416	–	–	–	5,868,416
Include:					
Owner-occupied property	–	–	–	–	–
Investment properties at fair value	22,934,827	–	–	–	22,934,827
Properties held for sale	–	–	–	–	–
Properties under development	–	–	–	–	–
Intangibles	20,427	–	–	–	20,427
Net Receivables	–	–	–	–	–
Financial assets	218,995	–	–	–	218,995
Total Property Value (b)	23,174,249	–	–	–	23,174,249
LTV (a/b)	25.32%	–	–	–	25.32%

Glossary

ARM – Active Risk Manager
BTL – Built-to-lease: multi-tenant investment properties
BTS – Built-to-suit: purpose-built investment properties as per requirements of tenants
CAPEX – Capital expenditure
CBD – Central business district
CEO – Chief Executive Officer
CFE – Certified Fraud Examiner
CFO – Chief Finance Officer
CIA – Certified Internal Auditor
COSO – The Committee of Sponsoring Organizations of the Treadway Commission
CSR – Corporate social responsibility Customer Retention – Value of leases renewed during a period divided by value of leases due for renewal during the period
Customers – Includes tenants, freelancers, and services clients
DDA – Dubai Development Authority
DFM – Dubai Financial Market
DHAM – Dubai Holding Asset Management
EBITDA – Earnings before interest, tax, depreciation, and amortisation
EITC – Emirates Integrated Telecommunications Company PJSC
Employee Retention – Percentage of high performing employees retained
EPRA – European Public Real Estate Association
EPRA BPR – EPRA best practice recommendations
EPRA Earnings – IFRS net profit adjusted mainly to remove impacts of depreciation and fair valuation in accordance with EPRA BPR
EPRA NAV – Net asset value calculated in accordance with EPRA BPR
EPRA NIY – EPRA net initial yield
EPS – Earnings per share (net profit divided by number of shares)
ERM – Enterprise Risk Management
ESG – Environmental, Social and Governance
FFO – Funds from operations (Funds generated from operations, including net finance costs paid, before working capital changes)
GDP – Gross domestic product
GLA – Gross leasable area
IMF – International Monetary Fund
IP – Investment property
IPPF – International Professional Practices Framework
KPI – Key Performance Indicator
KRI – Key Risk Indicator
LEED – Leadership in Energy and Environment Design
Leverage – Net debt divided by EBITDA
Like-for-Like Valuation gain – Percentage change in valuation of properties held at the beginning of the period
LTV – Loan to value ratio
MENA – Middle East and Northern Africa
MENAT – Middle East, North Africa and Turkey
MNC – Multi national company
MoIAT – Ministry of Industry and Advanced Technology
MOU – Memorandum of understanding
NAV – Net asset value
NCBD – Non-central business district
Net Debt – Gross debt minus cash and bank balances
OE – Oxford Economics
OpEx – Operating expenses
PMLA – Property management and leasing agreement
Report Currency – United Arab Emirates Dirham (AED)
RFCF – Recurring free cashflow (FFO minus enhancement and maintenance capital expenditure additions)
ROE – Return on equity
RPT – Related Party Transactions
SCA – Securities and Commodities Authority
TSR – Total Shareholder Return
UAECA – UAE Chartered Accountant
WALT – Weighted Average remaining Lease Term

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