

AT A GLANCE

Aldar is a leading UAE real estate developer, owner and manager predominantly focused on the Abu Dhabi market. In 2021, the Company expanded its footprint outside the UAE into the Egyptian market.

We are recognised for master planning destinations that people can live in, work at and visit and have built many iconic developments in Abu Dhabi since our inception in 2004. We also own one of the largest diversified property investment portfolios in the region, the majority of which is in Abu Dhabi¹.

The company has two core business segments:

ALDAR DEVELOPMENT

Aldar is the largest property developer in Abu Dhabi and one of the largest in the UAE. Since its inception, it has completed over 31,000 residential units across the Emirate. As of 31 December 2021, more than 3,500 residential units were under development.

It owns a significant landbank of approximately 65 million square metres in prime locations across Abu Dhabi that provide through-the-cycle optionality to address specific segments of the real estate market.

The development business unit comprises of two main divisions: Property Development and Sales, which is responsible for developing and marketing Aldar's diverse and strategic landbank located in key investment zones – including Saadiyat and Yas Islands; and Project Management Services, which manages Aldar's fee-based development management business, including government housing and infrastructure projects.

Egypt

Aldar's Egypt platform is primarily comprised of SODIC², one of Egypt's leading real estate companies that was established in 1996. SODIC is focused on the development of large-scale, mixed-use communities in West Cairo, East Cairo and the North Coast.

ALDAR INVESTMENT

Aldar owns and manages a diverse real estate portfolio, all located within the Emirate of Abu Dhabi³. The portfolio is predominantly split across three asset classes: residential, retail and office³. Aldar Investment also owns several operating businesses including a hospitality and leisure platform; a leading school business; and a real estate services business (including construction and property & facilities management subsidiaries).

OUR MARKETS

Residential

Aldar Development predominantly sells residential properties through its development business, where it actively launches off-plan (construction-linked build-to-sell) developments. In addition, Aldar Investment owns a significant residential portfolio across Abu Dhabi, which is leased to a mix of individual and corporate tenants.

Retail

The company has developed a substantial retail footprint within Abu Dhabi that addresses both super-regional malls, such as Yas Mall and Al Jimi Mall, as well as community and convenience-focused retail located around its residential developments.

Commercial

The company has acquired and developed a high-quality, predominantly Grade A commercial office portfolio that attracts top tier local and international tenants. The commercial portfolio is principally located across Abu Dhabi Island and has the Government of Abu Dhabi as a significant tenant.

Hotels

Aldar owns a unique cluster of hotels predominantly on Yas Island that benefit from their proximity to tourist attractions and continue to support Yas Island as the leisure and entertainment hub of Abu Dhabi.

Aldar Education

Through its wholly-owned subsidiary, Aldar Education, the company is heavily invested in schools, catering for the education of more than 26,000 students. Aldar Education owns and operates its own schools, as well as managing schools owned by the Abu Dhabi government and ADNOC.

Provis/Khidmah

Aldar's real estate services arm is comprised of Khidmah, a facilities management business, and Provis, a property management business. Provis undertakes sales and leasing, property management, consultancy services and valuation advisory amongst others. Khidmah is a full-service facility management solutions provider focused on domestic, commercial and retail facility management solutions across the UAE and KSA.



Read more in our market overview on pages 10 to 15.

OUR LOCATIONS

EGYPT

UAE

ALDAR DEVELOPMENT

+31K

RESIDENTIAL UNITS COMPLETED SINCE INCEPTION

65M

SQUARE METRES IN PRIME LOCATIONS ACROSS ABU DHABI

ALDAR INVESTMENT

+21B

AED ASSETS UNDER MANAGEMENT

26K

STUDENTS IN SCHOOLS

1. In H1 2022, Aldar expanded its investment portfolio into the Ras Al Khaimah market through the acquisitions of Al Hamra Mall, a flagship retail and leisure destination and Rixos Bab Al Bahr hotel, a 715-key ultra-all-inclusive beach resort.

2. Aldar acquired a majority stake in one of Egypt's leading real estate companies, SODIC, through a consortium owning 85.52% of SODIC (Aldar ownership of 59.9%). The investment in Egypt completed on 16 December 2021. As there were no significant transactions or events from the acquisition date to 31 December, our financial results for 2021 do not include the performance of SODIC and the balance sheet was consolidated as of 31 December 2021.

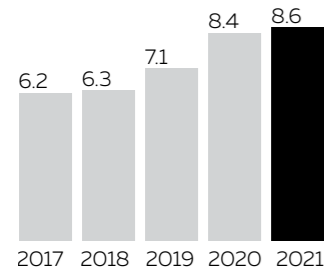
3. The majority of the investment properties are owned through Aldar Investment Properties LLC (AIP) rated Baa1 (stable) by Moody's.

Aldar is the largest real estate group in Abu Dhabi, and one of the region's most recognised and trusted master developers.

FINANCIAL

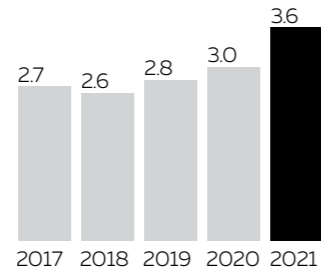
REVENUE

AED 8.6bn



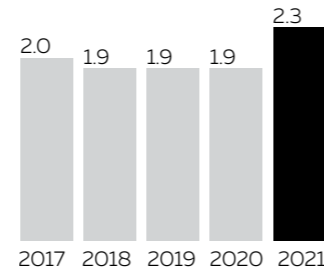
GROSS PROFIT

AED 3.6bn



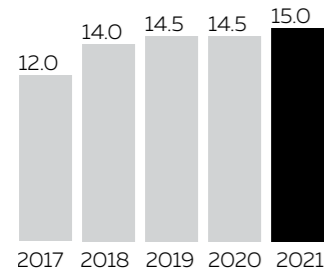
NET PROFIT

AED 2.3bn



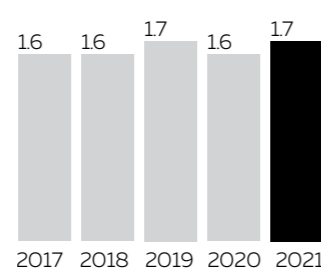
DIVIDEND PER SHARE*

15.0 fils



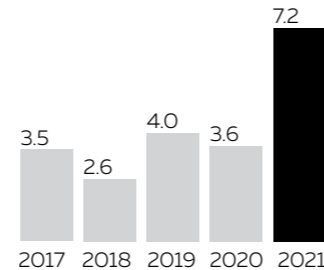
RECURRING NET OPERATING INCOME FROM ALDAR INVESTMENT¹

AED 1.7bn



OFF-PLAN DEVELOPMENT SALES

AED 7.2bn



EARNINGS PER SHARE

29.5 fils

1. Excludes Pivot.
* As recommended to AGM.

TOTAL ASSETS

AED 49.5bn

Note: The investment in Egypt completed on 16 December 2021. As there were no significant transactions or events from the acquisition date to 31 December, our financial results for 2021 do not include the performance of SODIC and the balance sheet was consolidated as of 31 December 2021.

OPERATIONAL



Aldar announces new group operating model as it embarks on the next phase of growth

Provis accelerates growth and widens reach through acquisition of Asteco Property Management

Appointment of Aldar on an exclusive basis as the strategic delivery partner for the Government of Abu Dhabi on key public housing and associated community infrastructure projects above AED 50 million

Aldar unveils AED 500 million redevelopment plan to redefine retail experience at Yas Mall to be completed in H2 2022



Aldar's Yas Island development Noya Viva sells out in less than 48 Hours

Aldar partners with global venture capital firm Fifth Wall to invest in European proptech fund

Aldar Q1 2021 net profit grows 80% to AED 544 million as development business outperforms

Aldar's Noya Luma development on Yas Island sells out in 4 hours



Aldar signs agreement with HSBC to become the first MENA real estate company to secure sustainability-linked loan

Aldar sells out Saadiyat Reserve, The Dunes

Aldar sells out exclusive Waterfront land plots at Al Gurm

Aldar sustains growth momentum with 15% rise in gross profit in Q2 2021



Aldar completes the sale of all homes at the newly launched Magnolias development at Yas Acres

Aldar pledges to create 1,000 jobs for UAE nationals by 2026 in line with 'Projects of the 50' Nafis programme

Aldar Q3 2021 gross profit grows 20% to AED 834 million with Aldar Development recording highest-ever quarterly sales of AED 2.69 billion

Aldar-ADQ consortium completes acquisition of majority stake in EGX-listed SODIC

TRANSFORMATIONAL GROWTH



“We are scaling up rapidly, while driving profitable growth through a highly efficient and balanced business model, recycling capital effectively into new opportunities.”

DRIVEN BY AN AMBITIOUS STRATEGY AND A STRONG CONNECTION WITH OUR COMMUNITIES, ALDAR PRODUCED A REMARKABLE FINANCIAL AND OPERATING PERFORMANCE IN 2021, DRIVING FORWARD OUR AGENDA FOR TRANSFORMATIONAL GROWTH.

The Company's net profit increased 21% in 2021 to AED 2.33 billion. Subsequently, the Board of Directors has recommended a dividend of AED 0.15 per share in line with the company's progressive dividend policy delivering a CAGR of 11% over the 10-year period demonstrating our continued commitment to delivering sustainable shareholder value.

Our achievements over the last two years are even more extraordinary when set against the context of the global pandemic and its impact on individuals, companies, and almost all economic sectors. Our teams at Aldar have shown considerable resilience and compassion as they have ensured that the Company continues to prosper and act as a positive force in supporting our stakeholders in the community, from the tenants in our properties to the children in our schools.

As an organisation, we have been uplifted by the tenacity and ambition shown by Abu Dhabi in the face of substantial disruption. Our esteemed leaders have produced a world-leading response to the multiple challenges posed by the pandemic, while driving forward with a comprehensive programme of economic and social reforms that make it one of the best places in the world to live and do business.

Among its key economic programmes launched in 2021, the country introduced the 'Projects of the 50' series of developmental and economic projects that will accelerate the UAE's development into a premium destination for top talent and investors. The country also overhauled commercial company ownership laws to facilitate inward investment and corporate establishment, while introducing legal safeguards to promote best practice in corporate governance and intellectual property. In line with the UAE's open, tolerant, and welcoming traditions, the country has calibrated family law to reflect the cultural diversity of our population.

As a company that is highly attuned to the business environment and deeply embedded in our communities, Aldar is embracing the country's confident, forward-looking spirit through its commitment to hire and train 1,000 UAE nationals by 2026. Similarly, while we are increasing the scale of our business platforms, it is also important that we focus on delivering an exciting vision of a sustainable, technology-enabled economy that provides opportunity to individuals, SMEs, and corporates. That is why the Board of Directors of Aldar is fully behind the company's programmes for technology and sustainability, which includes entrenching a comprehensive ESG framework into every element of strategy and operations. This approach will reinforce our relationships with all stakeholders and support the UAE's Net Zero by 2050 strategic initiative.

A powerful combination of financial strength, expertise, extensive business networks and an increasingly vibrant core market have brought Aldar to the cusp of significant transformation. We are scaling up rapidly, while driving profitable growth through a highly efficient and balanced business model, recycling capital effectively into new opportunities.

I would like to take this opportunity to thank all our stakeholders – including investors, partners, customers, and the people we serve in our communities – as well as the highly dedicated teams at Aldar for being part of this journey. I am very excited for what the future will bring.

H.E. MOHAMED KHALIFA AL MUBARAK

CHAIRMAN OF ALDAR PROPERTIES

LASER-FOCUSED GROWTH STRATEGY



“Our strong performance in the context of continued global economic disruption in 2021 underscores the capacity of Aldar to withstand significant challenges and to flourish.”

ALDAR PRODUCED AN EXCELLENT SET OF OPERATING AND FINANCIAL RESULTS IN 2021, WHICH REFLECT A RESILIENT BUSINESS THAT IS GROWING AND TRANSFORMING AT PACE. DRIVEN BY A LASER-FOCUSED GROWTH STRATEGY, OUR AGILE AND EFFICIENT OPERATING MODEL CONTINUES TO REAP REWARDS, WITH OUR DIVERSIFIED BUSINESSES ALL MAKING A VALUABLE CONTRIBUTION TO THE EXPANSION OF OUR PLATFORM.

Our strong performance in the context of continued global economic disruption in 2021 underscores the capacity of Aldar to withstand significant challenges and flourish. The sentiment in our core market, Abu Dhabi, has been bolstered by the roll out of a world-leading vaccination programme in combination with economic and social policy initiatives to promote private sector development.

During 2021, Abu Dhabi real estate fundamentals were supported by a marked return of consumer confidence and our measured, data-led approach to supply of new developments. The company continues to build on its position as a trusted and key partner in the delivery of premier real estate projects and communities which is evidenced by Aldar being the fastest growing constituent of the Brand Strength Index in the UAE real estate sector with brand value rising 20% in 2021.

Against this backdrop, Aldar Development achieved its highest ever annual sales of AED 7.2 billion. This was accompanied by a broadening of our customer profile, with an increasing

number of younger and female buyers purchasing properties in Abu Dhabi – a testament to the appeal of our market-leading offering. Aldar Investment also experienced a noticeable improvement in rental income and capital appreciation across its portfolio. The business division's approach to active asset management has ensured strong tenant retention and take-up across all segments, most notably in retail, where the redevelopment and renovation of Yas Mall has resulted in near full occupancy.

Our strong financial performance and balance sheet provide Aldar with the robust foundations to implement our transformational growth agenda. We have been able to act swiftly to accelerate our pursuit of new growth opportunities to deliver attractive returns, driven by a business model that delivers an efficient recycling of capital. We have seen this agility in action with a significant amount of investment activity over the last year, including the acquisition of an 85.52% stake in one of Egypt's leading listed real estate development companies, Sixth of October Development and Investment Company (SODIC), and our recent expansion into the Ras Al Khaimah market with two acquisitions in the retail and hospitality sectors.

The company ended 2021 with AED 5.4 billion of unrestricted cash and AED 4.7 billion of undrawn committed facilities allocated for capital expenditure to drive further expansion and diversification of our asset base as part of our growth agenda. We subsequently entered into a landmark strategic partnership in February 2022, with Apollo Global Management, one of the world's largest alternative investment managers, committing to investing AED 5.1 billion into Aldar.

Aldar Investment will be an increasingly key engine of growth in the coming years. We have identified a robust pipeline of yield accretive investment opportunities and will continue to deploy capital effectively to build scale and enhance

asset class diversification. Our diversified businesses, including Aldar Education, Aldar Estates and Aldar Hospitality and Leisure, are cementing their market-leading positions through investment in scale and capacity, and will grow in importance in terms of the returns they deliver.

Aldar Development will continue to develop prime destinations and build communities in both Abu Dhabi and the wider region. SODIC provides a high-quality platform that we will leverage to expand significantly into the high potential Egyptian market, where youthful demographics and a growing middle class are fuelling demand for premium residential and mixed-use properties.

As a firm, we are encouraged by the sustained economic recovery in the UAE and the positive conditions for growth, guided by the clear vision of the country's leadership. I am confident in Aldar's ability to build on the strong momentum garnered over 2021 to drive forward our growth agenda as we deploy capital and transform our business at an even more accelerated pace.

TALAL AL DHIYEBI
GROUP CHIEF EXECUTIVE OFFICER
OF ALDAR PROPERTIES

OUR MARKETS

Aldar's recent acquisition of SODIC, one of Egypt's largest real estate developers, and the acquisitions in Ras Al Khaimah in 2022 reflect the company's ongoing diversification efforts.

Whilst the business continues to operate primarily within the residential, retail, commercial offices, and hospitality sectors, diversification efforts continue to broaden the breadth of assets and create alternative sources of revenue for the portfolio, as highlighted by recent investment activity in Ras Al Khaimah, with the acquisition of Al Hamra Mall and Rixos Bab Al Bahr hotel.

This section provides a general overview of performance during 2021 across each asset segment and a brief outlook for 2022 and beyond.

The UAE government has continued to evolve the country's laws, rules, and regulations, positioning the Emirates for further growth and expansion, including recent changes to the Commercial Companies Law, Labour Law, UAE Industrial Property Rights, Crime and Punishment Law, Data Protection Law and The Personal Data Protection Law, to name just a few of the 40+ laws which have been amended.

As part of 2021, the "Year of the 50th" which marked the fiftieth anniversary of the federation of the United Arab Emirates, a number of legal and regulatory amendments were passed. The amendments aim to strengthen the country's economic, investment and commercial opportunities, as well as making it a more attractive location for global talent, entrepreneurship, and foreign capital, whilst also continuing to promote social stability, security and ensuring equal rights.

As part of plans to attract increased foreign direct investment, the UAE is now working to improve trade relations and to agree several new trade deals, including with Israel, Colombia, and Indonesia. This follows a recently completed agreement with India which aims to double non-oil trade over the next five years to over US\$ 100 billion.

2021 saw continued activity in capital markets across debt and equity for Abu Dhabi and the UAE, with US\$ 5.0 billion in new bond offerings and significant IPO launches across the year.

In May, Abu Dhabi raised US\$ 2.0 billion in seven-year dollar denominated bonds, and in October, raised US\$ 3.0 billion in 10 and 30-year notes: 10-year US\$ 1.75 billion tranche priced at 63bps over Treasuries and US\$ 1.25 billion in a 30-year tranche priced at a 3% yield¹.

Support for Abu Dhabi, and Aldar in particular, has been further underlined by the recent US\$ 1.4 billion investment from Apollo Global Asset Management, one of the world's largest alternative investment managers. The deal follows the Apollo led US\$ 5.5 billion investment into Abu Dhabi's national oil company ADNOC during 2020 and long-standing relationships with Emirate's sovereign wealth funds, which reflects the widening breadth of institutional interest in the Emirate.

The economy has also been boosted by a very strong recovery in the oil sector. Oil prices for Brent Crude averaged US\$ 70.86/barrel across 2021 and have already breached US\$ 130/barrel during March 2022². With oil prices currently well above the fiscal breakeven rate, the Emirate looks set to deliver a budget surplus, facilitating the potential for greater levels of investment in the years ahead.

The country's economy is expected to expand by 4.2% in 2022, up from 2.1% in 2021, driven by the relative strength of both the oil and non-oil private sectors³.

MARKET ANALYSIS

This section provides an overview of the performance of Abu Dhabi's residential, retail, office, and hospitality real estate segments during 2021 and an outlook for the coming years.

Residential

The residential market witnessed a significant improvement during 2021, led by rising demand for low-density housing, as unit upgrading and relocations to quality communities supported a modest recovery across both the leasing and transactional markets.

However, the recovery has remained quite fragmented, with consumer preference for villas, townhouses, and high-quality apartments, but more constrained demand for lower quality assets. This underlines the demonstrable shift in end-user preferences, led in part by Covid-19 driven shifts for work-from-home and desire for larger living and outdoor spaces.

In general, the transactional market has outperformed the leasing sector, with value growth across all asset types recorded during 2021. Abu Dhabi property values increased by an average of 1.6% year-on-year, although at an asset level much higher levels of growth were achieved⁴.

For the leasing market, rental rates declined by an average of 1.4% year-on-year⁴. However, there was a positive recovery during the second half of the year, with an 0.8% increase quarter-on-quarter in December, following a 0.7% increase quarter-on-quarter in September.

From an off-plan perspective, the market remained buoyant throughout the year with many successful project launches. This reflects growing strength in real estate investment demand across the country, from both domestic and foreign capital, supported by recent regulatory changes and a positive international reaction to the UAE's response to the pandemic.

Abu Dhabi has witnessed a rise in global livability rankings such as safest cities in the world, global talent attractiveness and the best cities during Covid.

Residential occupiers are focusing on quality and space, and have moved from older areas of Abu Dhabi island and the mainland to newer master-planned destinations such as Saadiyat Island, Yas Island, Reem Island and Raha Beach. This trend is expected to continue, accompanied by an increase in new units.

With 2022 expected to see a stronger economic landscape across the UAE, net new housing demand is likely to increase, supporting activity for both the leasing and sales segments, as a broader job recovery ensues.

With evidence of employment growth returning across highly impacted sectors such as aviation, construction, hospitality, and trade, there are also indications of an improving backdrop across higher yielding sectors. This is taking place in line with diversification into new areas of the economy and the recovery in key sectors such as oil and gas, and some areas of professional services.

Tracking the economic recovery, Aldar's development business saw a huge uptick in net sales value for 2021, with demand evident for a wide sub-set of residential off-plan projects, including villas, townhouses, apartments, and villa plots, as a more diversified investor profile emerged, supported by rising demand from resident foreign investors and non-resident investors.

Aldar's 2021 launches included new phases of Noya (Noya Luna and Noya Vida), Waters Edge, Yas Acres (The Magnolias), and Saadiyat Reserve, whilst demand for completed standing inventory was also sustained.

During 2021, Abu Dhabi saw completion of more than 10,000 new residential units, bringing total housing stock to approximately 278,000 units⁵. Most of these new properties were delivered across the communities of Raha Beach, Yas Island and Reem Island, including Aldar's handover of units within Waters Edge (Yas) and Reflections Building A (Shams, Reem Island).

Aldar's residential investment portfolio saw a very strong occupancy performance, rising from 89% in December 2020 to 93% at the end of 2021, as well-managed assets continued to outperform the market⁵. With widespread migration of expatriate residents to emerging masterplan areas, and an overall trend of a "flight-to-quality", superior properties continue to take an outweighed share of occupier demand.

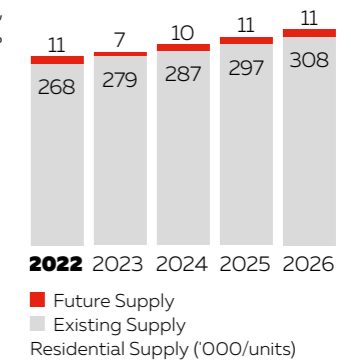
Consequently, residential rental rates have also recovered modestly, with low density housing and premium apartment offerings typically seeing the biggest upward movements, as residents focus on well-managed and well-located properties within the Emirate's lifestyle communities, such as Yas Island and Saadiyat Island, locations where Aldar holds control over upcoming supply and benefits from a large strategic land bank to drive future development activity, including the recent acquisition of 6.2 million square metres of prime land located on the east side of Saadiyat Island.

Outlook

The long-term supply picture up to 2026 now comprises more than 40,000 residential units, which in the short to medium-term is dominated by investment zone locations such as Reem Island, Raha Beach and Yas Island, together comprising 40% of new supply during 2022 and 2023⁵.

With new supply being delivered primarily across new masterplan destinations, the migration of residents from aging areas of the city is effectively driving up population levels within Aldar's communities, whilst also supporting occupancy growth across individual assets.

FUTURE RESIDENTIAL SUPPLY BY YEAR (2022 - 2026F)



Source: Aldar research

References
 1. Bloomberg
 2. EIA
 3. UAE Central Bank
 4. Reidin

References
 5. Aldar

Commercial Offices

Following an extended period of limited new supply, the office sector saw the completion of close to 150,000 sqm of new accommodation, primarily due to the handover of the twofour54 campus on Yas Island, and to a lesser extent, the handover of several other commercial properties across the wider Abu Dhabi Island area⁵. Consequently, total office stock now measures around 3.9 million sqm GLA as of year-end 2021⁵.

Overall leasing market dynamics have remained subdued, with limited activity from the global corporates. However, government and GRE occupiers have continued to positively support market take-up, specifically across Grade A accommodations, which remain in relatively scarce supply versus the wider market stock.

Speculative office launches remain few and far between, supporting high-quality Grade A office properties in the short term, as they continue to benefit from a "flight to quality", resulting in rising occupancy rates across premium assets.

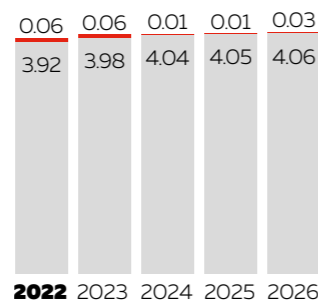
Average vacancy rates have recovered slightly over the past year, although Aldar's Grade A office assets continue to outperform attracting increased tenant inflows, resulting in an occupancy of around 93% at the end of Q4 2021⁵.

Outlook

The long-term office pipeline has continued to decline, with future projects now amounting to just 0.25 million sqm for the period 2022-26, meaning new speculative accommodation is likely to be quite constrained over the next five years⁵.

This will continue to support the performance of the Grade A market, although demand levels are unlikely to see any significant pick-up in activity without a more robust increase in office-based employment.

FUTURE OFFICE SUPPLY BY YEAR (2022 – 2026F)



■ Future Supply
■ Existing Supply
Office Supply (million/sqm/GLA)

Source: Aldar research

Retail

The retail market saw several major completions during 2021, including the handover and opening of the first retail units at Al Qana. In total, more than 100,000 sqm of new retail space was completed, raising the total stock to more than 2.9 million sqm GLA as of 31 December 2021⁵.

Whilst many Covid restrictions have already been lifted across the Emirate, there remain some limitations on capacity, whilst protocols for entry to retail, government, and entertainment events continue to be enforced.

Despite these restrictions, there was a positive recovery in retail activity during 2021, with higher footfall and sales volumes as compared to 2020.

Whilst outward travel has noticeably increased over the past year, the retail sector is still benefitting from a more captive domestic market, which supported recovery, particularly during the summer months, when outbound travel remained well below historical norms.

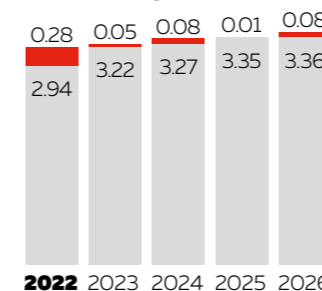
Occupancy rates rebounded positively during 2021, with Aldar's portfolio seeing an increase from 83% at the end of 2020, to 93% at the end of Q4 2021⁵. However, pressures remain elsewhere in the sector as a tenant's market prevails, reflected in the 5% decline in average rental rates amidst rising supply and weaker demand fundamentals across many secondary assets and locations⁶.

Outlook

There is approximately 500,000 sqm GLA of new retail space set to be delivered between 2022 and 2026, with the largest component coming from Reem Mall (Reem Island), which opened in Q1 2022⁵.

The remaining retail supply is more fragmented, spread across smaller scale neighbourhood and community malls and a range of other street and mixed-use retail projects. The large volume of new retail product is likely to mean a continuation of a tenant's market in the short to medium term.

FUTURE RETAIL SUPPLY BY YEAR (2022 – 2026F)



■ Future Supply
■ Existing Supply
Retail Supply (million/sqm/GLA)

Source: Aldar research

Hospitality

Abu Dhabi's hospitality sector witnessed a year of recovery, as visitor inflows increased when Covid-related entry restrictions were eased for both international and domestic travelers.

Total hotel guests increased 4.1% from close to 3.15 million in 2020 to 3.28 million during 2021⁷. However, this was still down by 36.2% from the 5.1 million hotel guests in 2019⁷.

Abu Dhabi's hotels ended the year with an average occupancy of around 70%, down from 73% in 2019 during pre-pandemic times, but up from 66% in 2020⁷. This mirrored a general recovery story across the UAE's tourism and hospitality sector, with Dubai reaching an average occupancy of 67%, up from 54% in 2020, but down from 75% in 2019⁸.

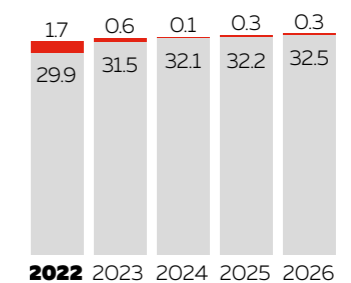
The recovery in occupancy rates in Abu Dhabi was despite the completion of more than 1,200 new rooms which added additional capacity to the market, predominantly around Yas Island⁵. A similar level of new keys are expected to open during 2022, primarily focused on the Abu Dhabi Main Island.

With stronger demand has come improvements in room rates, which averaged AED 314/room/night versus AED 278/room/night during 2020, up by more than 11% year-on-year, but still down around 13% from 2019⁷. For RevPAR, the recovery has been even stronger, jumping 18% from AED 187/room/night to AED 211/room/night. However, rates remained 18% below 2019 levels largely due to the lower ADRs⁷.

Outlook

Overall global tourism demand is expected to continue its recovery during 2022, supporting an improved domestic hotel market performance.

FUTURE HOSPITALITY SUPPLY BY YEAR (2022 – 2026F)



■ Future Supply
■ Existing Supply
Hospitality Supply ('000 keys)

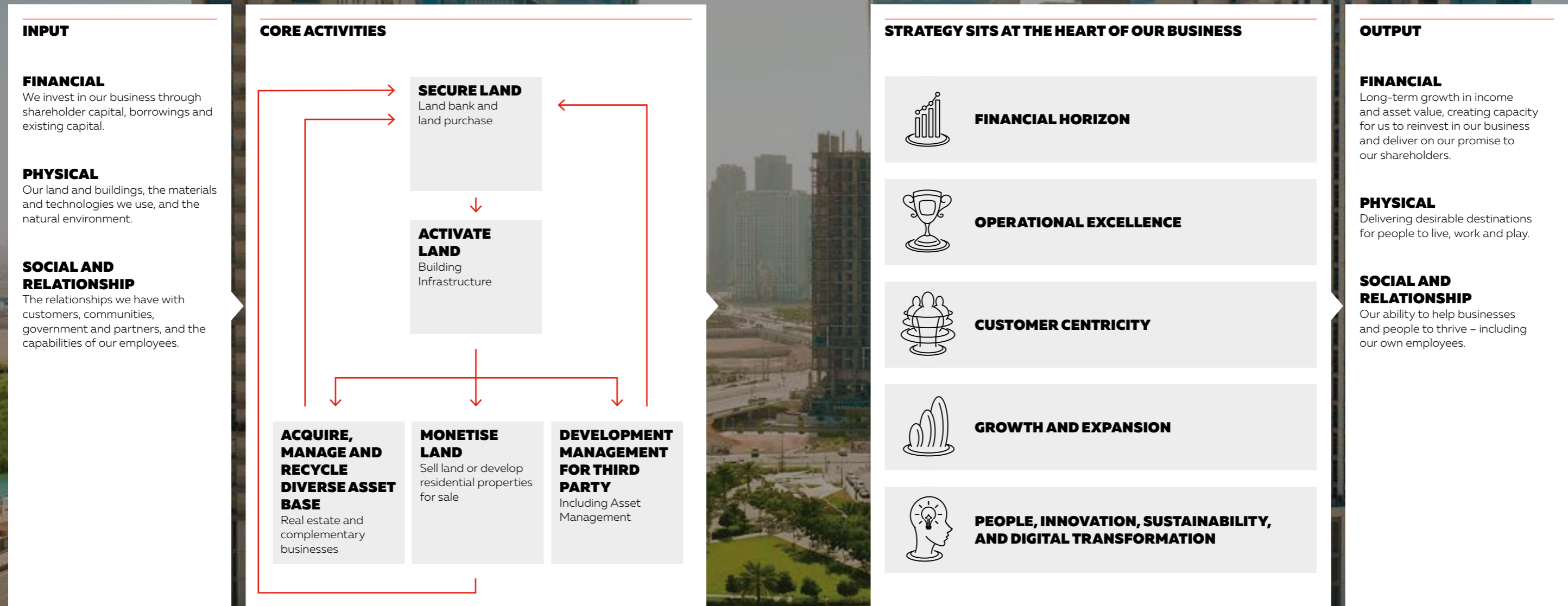
Source: Aldar research

References
5. Aldar
6. JLL

References
7. Department of Culture and Tourism (Abu Dhabi)
8. Department of Tourism and Economy (Dubai)

CREATING SUSTAINABLE, LONG-TERM VALUE

Aldar plays a pivotal role in the growth, maturity and diversification of Abu Dhabi's economy. We aim to be a sustainable business by anticipating and responding to the needs of our customers, communities, partners and employees. Using our knowledge, we are able to adapt to market conditions and enhance our position as we pursue our vision of long-term value creation.



OUR VALUES UNDERPIN EVERYTHING WE DO

- CUSTOMER CENTRICITY
- DIVERSE & INCLUSIVE
- AGILE
- INNOVATIVE
- COLLABORATIVE

SUSTAINABLE RETURNS THROUGH SOUND INVESTMENTS AND INNOVATIVE STRATEGIES

Our vision demonstrates what we aim to achieve, while our mission defines our DNA and what we stand for. They form the cornerstone of our strategic intent and commitment to stakeholders

OUR VISION

BECOME A LEADING REGIONAL REAL ESTATE DEVELOPER AND MANAGER THAT CREATES MEMORABLE EXPERIENCES AND VALUE FOR OUR CUSTOMERS AND SHAREHOLDERS.

OUR MISSION

PLACE OUR CUSTOMERS FIRST BY EMBEDDING SUSTAINABILITY, QUALITY, TECHNOLOGY AND INNOVATION IN EVERYTHING WE DO.

OUR VALUES

CUSTOMER CENTRICITY

We engage and deliver an exceptional customer journey.

DIVERSE & INCLUSIVE

We value diversity and treat everyone with respect, inclusiveness and dignity.

AGILE

We are responsive, dynamic and committed.

INNOVATIVE

We differentiate ourselves by going above and beyond in everything we do.

COLLABORATIVE

We are one team. We work together across boundaries to achieve our mutual objectives.

FINANCIAL HORIZON

MAXIMISE SHAREHOLDER VALUE

GROW PROFITS AND ENHANCE MARGINS

EXPAND AND DRIVE SUSTAINABLE GROWTH

CUSTOMER VALUE PROPOSITION

WE ARE A TRUSTED REAL ESTATE COMPANY...

THAT CREATES MEMORABLE EXPERIENCES...

WHICH YIELD SUSTAINABLE RETURNS.

OUR STRATEGIC THEMES



FINANCIAL HORIZON



OPERATIONAL EXCELLENCE



CUSTOMER CENTRICITY



GROWTH AND EXPANSION



PEOPLE, INNOVATION, SUSTAINABILITY, AND DIGITAL TRANSFORMATION

FINANCIAL HORIZON

Our objective is to drive maximum financial returns for our shareholders by continually growing our portfolio and improving efficiencies.

STRATEGIC OBJECTIVES

- Maximise shareholder value.
- Grow profits and enhance margins.
- Expand and drive sustainable growth.



KEY OUTCOMES/ 2021 ACHIEVEMENTS

- **2% increase in revenue** to AED 8.58 billion.
- **21% increase in gross profit** to AED 3.60 billion.
- **Robust net profit** at AED 2.33 billion in 2021 up 21% year on year.
- Earnings per share of AED 0.295, **up 20% year-on-year**, demonstrating sustainable growth of shareholder value.
- Significant **ramp-up of development fee-based business** (total project backlog of AED 41.1 billion), with over AED 6.9 billion of capex deployed in 2021.
- **Strong balance sheet** and undrawn facilities with significant liquidity, providing dry powder for growth.

2022 PLANS

- **Aldar Development**
 - Target development sales to be in-line with 2021.
 - Further ramp-up of development fee business.
- **Aldar Investment**
 - Target double digit growth on 2021 NOI through acquisitions.
 - Increase AUM and continue to deliver attractive returns through accretive investments, active asset management and capital recycling.
 - Maintain gross debt levels in line with financial policies.
 - Continued commitment to shareholder returns underpinned by performance-based dividend policy.

OPERATIONAL EXCELLENCE

We aim to achieve agility through optimising operational processes and supply chain efficiency to ensure that we deliver our developments on time and within budget, and manage our assets and investments in an effective and efficient manner.

STRATEGIC OBJECTIVES

- Ensure our projects are delivered on time, within budget and agreed quality.
- Maximise and unlock the potential of our assets.
- Optimise our processes and strengthen our value chain.
- Embed environment and quality in all aspects of the business.
- Drive value and synergy through investment.



KEY OUTCOMES/ 2021 ACHIEVEMENTS

- **13%** efficiency improvement due to the shift in **operating model** compared to 2020.
- **93% occupancy** achieved in our commercial, residential and retail portfolio.
- **1,700 units** handed over across **6 communities**.
- **53,000 units managed** via the ASTECO acquisition, becoming the largest estate manager in the UAE.

2022 PLANS

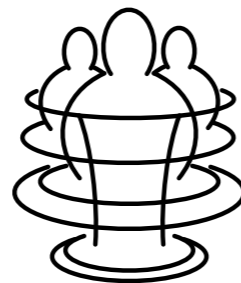
- Introducing **value add services** and **products** to our current projects.
- Adjusting our **operating model** to unlock **more value, synergies** and align with our **growth plans**.
- **Ramping up digital services investments** and operating model across the portfolio.
- Introducing and implementing **world-class frameworks** that enables **efficiency** and **agility**.

CUSTOMER CENTRICITY

Encompasses our corporate customer value proposition that creates trust through engaging our customers and delivering exceptional customer experience.

STRATEGIC OBJECTIVES

- Engage customers and end users in all aspects of the business.
- Deliver exceptional customer experiences.
- Create customer intimacy through loyalty programmes and unified marketing.
- Integrate and promote social and environmental sustainability.



KEY OUTCOMES/ 2021 ACHIEVEMENTS

- 68,000 **customers engaged** across Aldar's portfolio.
- 10% improvement in **Net Promoter Score** on Aldar's Group performance.
- **111% increase in memberships on Darna loyalty programme.**
- Launched energy management project to guarantee a **reduction of energy consumption by 20% across 80 assets.**
- **Leading in ESG rankings** on a sector and regional scale.
- **Major sponsorships** announced such as Manchester City FC and UAE Cycling.

2022 PLANS

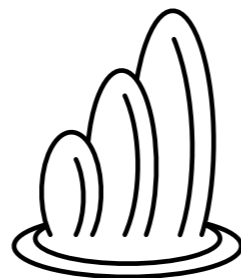
- Implementing an **integrated CRM** across the portfolio to drive better insights and responsiveness.
- **Attracting** new customers segments through **international marketing.**
- **Hyper customisation** of product and services offering through **customer engagement.**
- Significant **investment in sustainability** and **realising benefits** of the **Energy Management System.**

GROWTH AND EXPANSION

We aim to increase the value of our assets through sustainable growth into new markets; quicker turnaround on quality developments and acquisitions; and innovative marketing strategies.

STRATEGIC OBJECTIVES

- Explore and invest in regional and international expansion.
- Grow our local portfolio in a sustainable and agile manner.
- Ensure optimal utilisation and growth ratios of our assets.
- Actively engage with our key stakeholders to drive growth.



KEY OUTCOMES/ 2021 ACHIEVEMENTS

- **AED 1 billion** acquisition of **Egypt's SODIC** via an Aldar and ADQ consortium.
- **AED ~5 billion** value of **megaprojects** to develop and manage via a partnership with Abu Dhabi government.
- **AED 7 billion** in **record sales** of 7 newly launched projects.
- **AED 500 million** redevelopment of **Yas Mall**.
- **AED 509 million** total **value of new investments** in assets within Aldar's investment portfolio.

2022 PLANS

- **AED 5+ billion** of **capital to be deployed** proactively in our investment portfolio in 2022.
- Accelerated focus on **alternative investments** and **asset classes**.
- **Growing sales** and **investment opportunities** to be executed outside of Abu Dhabi.
- **Assess new markets** and new asset classes that can synergistically add value to Aldar's portfolio.
- Evaluate further **M&A opportunities** internationally.


PEOPLE, INNOVATION AND DIGITAL TRANSFORMATION



Attract and maintain high performing talent; nurture an innovative and creative culture; and adopt disruptive technology.

STRATEGIC OBJECTIVES

- Leverage data for more informed decision making.
- Deploy disruptive and leading technology in all aspects of the business.
- Empower and embed innovation in all aspects of the business.
- Attract and retain high-performing talent.
- Develop and engage our people.
- Nurture an innovative and creative culture.



**KEY OUTCOMES/
2021 ACHIEVEMENTS**

- **Certified as a Great Place to Work.**
- **1,000 UAE nationals** to be employed or trained in the next 5 years as part of the **NAFIS programme.**
- **Partnered with Zayed Humanitarian Organization** to create employment and training opportunities for people of determination.
- **AED 23 million** invested in Global **PropTech** funds.
- **4 pilots** launched via Innovation's **Ibtikar** programme, as well as the launch of **ScaleUp 3.0** for post-Series A and B startups.
- **+81 nights** booked for November via the soft launch of Aldar's short-term leasing business, **Cloud Living.**

2022 PLANS

- Further **embedding diversity and inclusion** across the business.
- Continuously investing in **developing and growing our people.**
- Contributing to Abu Dhabi's private sector **national employment +1,000.**
- Positioning Aldar as a **leading data-driven organisation** and industrialising use cases in 2022.
- **Strengthening our innovation platform through investment** in PropTech VC funds and acceleration programmes.

Our sustainability strategy and framework

OUR VISION

Become a leading regional real estate developer and manager that creates memorable experiences and value for our customers and shareholders.

OUR MISSION

Place our customers first by embedding sustainability, quality, technology and innovation in everything we do.

SUSTAINABILITY PURPOSE

Shaping a Better Future

We aim to create a business culture where sustainability is at the heart of everything we do, and where the concept of sustainability informs the way we operate, collaborate, innovate and grow.

CORE SUSTAINABILITY PILLARS

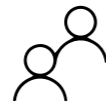
Economy



Community



People



Environment



STAKEHOLDERS

Our People, Shareholders & Investors, Local Communities, Partners, Rating Agencies & Media, Government & Regulators, Customers, Subsidiaries, Suppliers & Contractors, Banks & Lenders

GOVERNANCE

Board of Directors, Executive Management, Sustainability Department, Sustainability Council, Sustainability Champions

GLOBAL GOALS (SDGS)



SHARED VALUE

Vision 2021 | Ghadan 21 | National Climate Change Plan of the United Arab Emirates 2017-2050 | The UAE Green Agenda

This is a high-level summary of Aldar's 2021 sustainability achievements. The full and detailed sustainability performance will be communicated in Aldar's 2021 Sustainability Report that will be launched in H1 2022.

ALDAR'S APPROACH TO SUSTAINABILITY

As a leading developer, owner and manager of real estate, we are aware of our responsibility to the environment and to our people. Our sustainability journey is in its early stages but we believe we can pioneer an approach that will not only deliver benefits now but also for generations to come. We are already making steady progress across our four sustainability pillars: Economy, Community, People and Environment.

Throughout 2021, staying true to our commitment, we have cascaded the KPIs to all of Aldar's businesses, departments, and subsidiaries. We are refreshing detailed implementation plans for Aldar Investment and Aldar Development by embedding decarbonisation efforts and empowering each business unit to deliver impactful sustainability initiatives.

Behind our Sustainability Framework is a clear structure of accountability, overseen by our Chief Financial and Sustainability Officer (CFSO) and Sustainability Council. In 2021, we developed individual councils within Aldar Development and Aldar Investment to implement the strategy, monitor targets and strengthen governance across each business unit.

We announced our commitment to carbon neutrality some years ago and today we are committed to developing and launching a credible plan that can be reflected on the ground. Last year we made solid progress on Aldar's Carbon Neutral Action Plan. This included the commercial business case, and in line with UAE's commitment to become a net-zero country by 2050, Aldar is considering reclassifying its commitment too.

In 2021, we responded to the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) through a comprehensive assessment and review of the risks and opportunities that climate change brings to our business. This will help establish a solid governance approach, enhance our disclosures and, ultimately, manage climate change risks in our business activities. Aldar also joined the United Nations Global Compact (UNGC) last year to further align our strategy and initiatives with the UN's global agenda.



KEY 2021 ACHIEVEMENTS

Despite a challenging year for businesses and processes as a result of the ongoing pandemic, we significantly improved our ESG score on different regional and international ratings¹. Our ESG score is now well above the industry average for both S&P Dow Jones Sustainability Index and Sustainalytics.

WE ALSO MADE GOOD PROGRESS IN 2021 ACROSS OUR FOUR SUSTAINABILITY PILLARS:



ECONOMY:

Our economic sustainability and contributions are vital to everyone who depends on our Company, including our customers, communities, employees, supply chain, shareholders and investors. We strive to provide our shareholders with secure, growing distributions derived from sustainable business practices.



COMMUNITY:

Healthy and dynamic communities are at the heart of our business. These multi-faceted environments – where citizens, residents and visitors live, learn, work and play – can be powerful catalysts of sustainable change, not just through the sustainability of the buildings themselves but also by encouraging sustainable lifestyles for everyone within them.



PEOPLE:

Our people are the lifeblood of our business and sustainability journey, continuously raising the bar for what our Company should and can achieve, and then applying their combined creativity, determination and expertise to meet and exceed these goals.



ENVIRONMENT:

We aim to reduce our environmental impact and improve the efficiency of our use of resources over time, in recognition that our stewardship of the environment is our greatest responsibility to future generations.



ECONOMY

After the launch of the new operating model in early 2021, we updated the sustainability governance to ensure alignment and efficient decision making.

The Group Sustainability Council has been divided into smaller business-level sustainability councils. This will empower businesses to lead on implementing the sustainability strategy and provide smaller group-level council monitoring and advising on its strategic direction and progress.

Sustainability is at the heart of our business and we are making progress to make this vision a reality. This is reflected by our performance assessed by two leading ESG rating agencies. Sustainalytics ranked Aldar 9 out of 104 companies in the diversified real estate industry for being at low risk of experiencing material financial impacts from ESG factors. We were ranked in the top-quartile of real estate companies globally by the Dow Jones Sustainability Index, achieving a score of 58. This represented a 52% increase on the previous year's score of 38.

In 2021, we implemented a new data management system to streamline data collection, performance tracking, and reporting across the Group. It will be used to track more than 500 non-financial KPIs including environmental metrics related to energy, water, waste, and emissions. It will also track non-environmental metrics covering gender balance, human rights, and health and safety. The system is aligned with international sustainability reporting frameworks such as the Global Reporting Initiative and the Global Real Estate Sustainability Benchmark and will soon be expanded to incorporate ratings from agencies such as Dow Jones, Sustainalytics, and EPRA.

We secured the region's first sustainability-linked loan, with the AED 300 million five-year facility linked to the company's sustainability performance.

We signed an agreement with Majid Al Futtaim to collaborate on the digitalisation of real estate transactions to make property purchases, sales, and management a simple and convenient process for both UAE-based and overseas customers.

1. <https://esginvest.com/esg-rankings/>



COMMUNITY

Thriving and inclusive communities are at the heart of our business. In both flourishing and challenging times, we have been a committed and active participant in communities where we live, work, and play.

Through our social responsibility programme, we aim to create sustainable value for shareholders, employees, suppliers, customers, business partners and the communities in which we operate. We invested an average of AED 25 million in our 2021 CSR programmes.

In 2022, we plan to roll out a new CSR Impact Strategy for the Group with

KPIs for both Aldar Investment and Aldar Development, empowering each business to deliver impactful CSR initiatives.

Creating impact and supporting the wider community

Driven by our purpose to shape a better future, we continually look for ways to provide a positive social and environmental impact that enrich inclusive, happy, healthy, and resilient communities across UAE and beyond.

Throughout the year, we supported numerous impactful initiatives to benefit the wider community.



FOSTERING UAE INNOVATION AND TALENT

Sandoq Al Watan

We have pledged AED 15 million to our long-term CSR partner, Sandoq Al Watan (the UAE National Fund) taking our total investment to AED 150 million. One of the world's largest social initiatives, Sandoq Al Watan aims to champion social entrepreneurship and cohesion, in line with the national vision for sustainable development. Through our partnership, we have funded local research projects that focus on solving environmental and social challenges, supporting local entrepreneurs, and upskilling and developing young local talent through customised programmes.

Some of the main initiatives of the Fund include:

- Supporting the UAE Coder and Mawhibatna Programmes
- Funding the Centurium Prize and other research programmes to support innovation and local research talent
- Supporting local entrepreneurs

Investing in teachers of tomorrow

Aldar Education, in partnership with Mohammed V University Abu Dhabi, continues to provide training programmes to aspiring teachers as part of its commitment to shape the future of education and to empower the next generation of UAE Nationals and GCC teaching professionals. It has trained more than 100 students so far.



COMMUNITY continued



ENRICHING INCLUSIVE COMMUNITIES

Enriching our inclusive schools

We have partnered with Key2Enable, a start-up providing assistive technologies in education to people of determination to provide a unique keyboard, Key-X, for use in our academies.

Key-X is a nine-button multi-functional smart keyboard that helps people of determination to use computers, tablets and smartphones for learning, communicating and gaming as part of its complete education platform. They give children and adults with various disabilities – ranging from cerebral palsy, severe autism, Down syndrome, multiple sclerosis, Alzheimer’s and Parkinson’s disease – greater autonomy and an inclusive learning experience through eye blinks and slight body gestures. Last year we ordered 30 additional keyboards distributed across the schools.

Supporting the nation’s youth and empowering the leaders of tomorrow

Empowering youth and equipping them with the necessary skills to work is essential. In our academies, students take part in challenges to promote critical thinking and innovation. We are also committed to offering one of our flagship buildings to the Federal Youth Authority – which acts as a co-working space with state-of-the-art.

Promoting health and wellbeing

We aim to champion and promote active lifestyles for people in our community. During the year, we organised multiple fitness sessions for our employees, residents and students.

In addition, we sponsored the UAE Team Emirates, the UAE’s competitive road cycling team. The three-year

sponsorship agreement is in line with our efforts by advocating healthy and sustainable living across its communities.

Volunteering programmes

In 2021, we launched our employee volunteering programme. Activities range from beach clean-ups to planting trees to raise awareness on the importance of reducing single-use plastics and recycling waste.

Special Olympics UAE

As an official partner of Special Olympics UAE, we are collaborating on the implementation of enrichment programmes to empower people of determination. We also provide office space and support services.

Furthermore, as a sole education partner with Special Olympics, Aldar Education facilitates the implementation of its

Unified Robotics Programme in its schools – as well as contributing their expertise and knowledge to support the provision of an inclusive, enjoyable, and impactful initiative for all.

Zayed Higher Organization for people of determination

In 2021 we signed a Memorandum of Understanding (MoU) with Zayed Higher Organization (ZHO) to enhance opportunities and accessibility for people of determination within Aldar and across our retail, hospitality, residential and commercial assets. The agreement comes as part of our CSR strategy to drive positive impact and improve inclusivity and accessibility in local communities. Aldar Hospitality collaborated with ZHO to source more than 1,000 staff uniforms, tailored by People of Determination students, to Aldar Hotel employees.



Atmah: GCC’s first social impact bond

In 2020, Aldar signed a strategic agreement with Ma’an, the Authority of Social Contribution, to build the Gulf Co-operation Council’s first social impact bond. We invested AED 2 million in the groundbreaking ATMAH programme that aims to increase employment opportunities for people of determination in Abu Dhabi, by equipping them with employability skills and helping them secure permanent employment.

We are proud to be harnessing the untapped potential of people of determination and promoting a more diverse and inclusive workforce in Abu Dhabi. Through this collaboration, we have enabled the recruitment of more than 20 individuals from the programme into local organisations.



PEOPLE

We became a supporter of the UN Global Compact (UNGC), the world's largest corporate sustainability initiative that has more than 13,000 corporate participants in over 170 countries.

The UNGC is based on 10 fundamental principles relating to human rights, labour, environment, and anti-corruption. We are committed to these principles, which are integrated within our policies and processes.

Aldar's 2020 Sustainability Report highlights its progress towards the UNGC principles.

We were named as a top 10 employer by 'Great Place to Work' for the environment it has created for women.

We are developing the next generation of talent in Abu Dhabi by committing to hiring and training 1,000 UAE nationals by 2026.

We are working closely with the Abu Dhabi Department of Community Development and the Camali Clinic to deliver gatekeeper training on mental health and suicide prevention to site foremen and supervisors responsible for approximately 2,000 workers.

Aldar launched a pilot grievance mechanism for workers in its supply chain on two Aldar project sites.

We completed 79 million manhours worked across all the projects in 2021 with zero lost-time injuries (LTI).



ENVIRONMENT

Aldar Properties launched a portfolio-wide energy management project to reduce its energy consumption by approximately 20% across 80 assets including hotels, schools, commercial, leisure, retail, and residential buildings.

In addition to reducing energy emissions, the project will enable Aldar to save approximately AED 20 million per year in energy consumption costs on owned assets. Based on the completion of the level-III audits by the shortlisted partners, Aldar has signed five-year Energy Performance Contracts with four Energy Service Companies (ESCOs). The project aims to reduce Aldar's carbon emissions by 80,000 tons, electricity consumption by 110 GWh, water consumption by 886,000 m³, chilled water consumption by 23,000,000 TRH, and gas consumption by 726,000 m³ every year. In the upcoming phase of the project, the ESCOs will carry out retrofit projects across all 80 assets with an expected completion date in 2022.

Aldar implemented the first solar hybrid power plant, which contributes to reducing the construction offices' energy consumption related emissions by 25%.

Aldar adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), becoming one of the first in the region to take this action. Using the TCFD framework, Aldar identified climate risks and opportunities, and it has now started to evaluate the resilience of its strategy and business model under various climate scenarios.

Using the insights from our scenario analysis, we are creating a climate risk management plan and developing business level ESG risk registers that will monitor ESG and climate risks and track the associated risk mitigation measures. These registers will be integrated into the company's overall risk management processes, which require us to consider options to transfer, avoid, reduce risk likelihood, reduce risk impact, or retain a risk.

Managing climate-related risks, Aldar's response to TCFD

STRATEGY

1. Scenario analysis

As recommended by TCFD, we have undertaken a detailed analysis of two distinct and plausible climate scenarios to understand the risks we face and the resilience of our business strategy. We chose two of the Representative Concentration Pathways (RCP 4.5 and RCP 8.5) used by the Intergovernmental Panel on Climate Change (IPCC), to align our approach with best practice and leading climate science. These model a defined pathway of increased greenhouse gas concentrations, which correspond with associated levels of average global temperature rise by the end of the century.

- The RCP 4.5 scenario considers major mitigation efforts by governments to keep global temperature rise less than 2°C above pre-industrial levels, in line with the 2016 Paris Agreement. Risks in this scenario are associated with decarbonisation activities, although there is still at least 1.5°C of warming and, as a result, physical risks are present.
- The RCP 8.5 scenario considers a high emissions scenario where governments take no further action to decarbonise and global warming likely exceeds 4°C, resulting in severe and more frequent physical climate impacts on a global scale. Extreme physical risks have implications including supply chain disruption, litigation risk and difficulty securing insurance.

2. Risk assessment process

To inform our scenario analysis, we reviewed extensive climate science data and literature from leading credible sources, including the Intergovernmental Panel on Climate Change (IPCC), whose models and reports consolidate the foremost peer-reviewed climate literature and are used as a central resource by global climate policy decision makers. We selected time horizons aligning with climate policy and available data to assess our business strategy against climate risks over the short term (up to 2030), medium-term (up to 2050) and long term (2050 onwards). Our methodology assessed climate risk impacts and likelihoods, considering these in the context of our time horizons and current business strategy. The impact was assessed per risk to our business operations, revenue, expenditure, assets and liabilities, and capital financing. Likelihood was determined by the probability, frequency and duration with which major impacts are felt once the risk materialises. This allowed us to capture the nuance of how risks materialise and are experienced over time. The risks that we identified as most material and that we are prioritising for action include:

- Shareholder pressure, fines, void periods or declines in asset values if we do not comply with enhanced policy and building requirements, with capital expenditures needed to comply with new standards for energy and resource efficiency and climate defence measures.
- Significant financial market implications resulting in market disruption as investor and consumer demands shift in favour of more

sustainable alternatives. Conversely, if serious climate action is not taken, physical climate risks may lead to a severe economic downturn, disrupted supply chains, and reduced consumer confidence.

- Operating in a water-stressed region, water scarcity will impact our cost to operate and construction of our buildings – there will be a likelihood of the need to invest in additional water efficiency measures.
- More frequent, severe and unpredictable extreme weather events in the region are likely to include storms, sandstorms, severe rainfall, drought, and flooding. Assets will need to have robust plans in place to address these risks and new developments will need to be resilient.
- Rising sea levels are a significant risk for the region. The coastline of Abu Dhabi may retreat by as much as 3.8km and subsequently, our assets could face flooding risk in the long term. Accordingly, we plan to consider investment in flood defence measures.

As a business operating in the real estate sector, key risks are increased costs associated with meeting policy and legislative requirements and the cost impact associated with mitigating or recovering from physical climate events. As the physical impacts of climate change will be felt over the medium and long term, the preparatory action we take now will embed long term resilience-planning into each stage of our assets' lifecycles.

RISK MANAGEMENT

Using insights from our scenario analysis, we created a three-year climate risk management plan.

We are developing business level ESG risk registers to monitor ESG and climate risks and track associated risk mitigation actions. These registers will be integrated into overall risk management processes, which require us to consider options to transfer, avoid, reduce risk likelihood, reduce risk impact or retain a risk. We will assign overall responsibility for overseeing the chosen risk treatment option to process owners. Through our scenario analysis, we have identified several key climate risks and opportunities (as outlined in the strategy section) that we plan to actively embed into our ESG risk registers and business plans.

At Aldar Development, cost and feasibility analysis include sustainability features in the earliest stages of design. As the design checklist evolves, we will include climate resilience designs into our guidance to help mitigate future risks. We are also working to integrate sustainability into our investment criteria and due diligence processes, and we will include climate risks as part of these considerations. Finally, we periodically review and monitor legislation, which includes climate and sustainability issues. This ongoing oversight enables us to manage risks associated with non-compliance and falling behind climate-related legislative requirements.

METRICS AND TARGETS

As part of our commitment to enhanced, transparent environmental reporting, we reported specific Scope 3 GHG emissions for the first time (see page 74 from the 2020 sustainability report for more detail). We reported intensity metrics for energy, GHG emissions (using the GHG protocol methodology) and water consumption as intensity per million AED in revenue. For all our environmental reporting, please see pages 99-103 from the 2020 sustainability report.

Our environmental performance monitoring helps us to develop, activate and achieve our Carbon Neutral Action Plan. We have set ambitious public environmental targets in support of this, including achieving a 20% reduction in asset portfolio energy intensity and associated GHG emissions, and a 10% reduction in water intensity by 2025, against our 2019 baseline.

For Aldar Development, it targets a 70% Estidama score, with a Pearl 1 or Pearl 2 building certification for all our assets. Since 2010, 87% of Aldar developments have attained a Pearl 1 and 13% a Pearl 2 rating. We are now exploring more ambitious, internationally recognised building certifications. We have also set ourselves a target of 80% of waste diverted from landfills on all our new development projects.

A POWERFUL PERFORMANCE



“Our robust position has been achieved against a backdrop of an economic recovery across the UAE. Confidence in Abu Dhabi’s real estate market continued to strengthen progressively throughout 2021.”

Aldar’s powerful performance in 2021 has set the foundation for a new phase of sustainable and transformational growth across our diversified business. Our revenue for the year stood at AED 8.58 billion, up 2% year-on-year, with gross and net profit both up 21% year-on-year to reach AED 3.60 billion and AED 2.33 billion respectively.

Our robust position has been achieved against a backdrop of an economic recovery across the UAE. Confidence in Abu Dhabi’s real estate market continued to strengthen progressively throughout 2021, supported by the world-leading response to the pandemic, and a series of economic and social reforms aimed at enhancing the Emirate’s standing as a business, lifestyle, and investment destination.

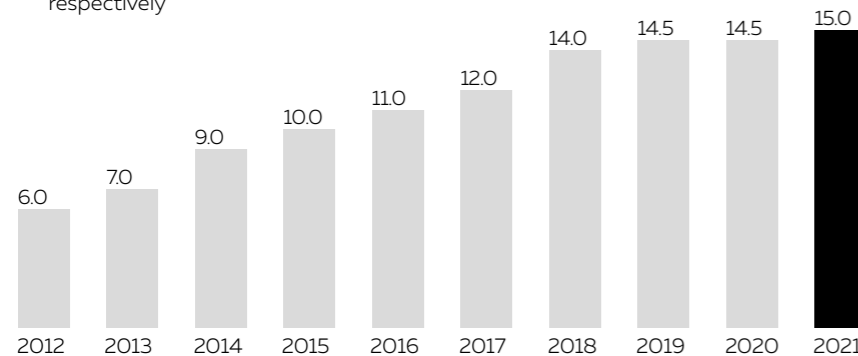
Aldar Development witnessed a record year in terms of sales, which increased 100% to AED 7.2 billion, while gross profit increased 30% to AED 1.82 billion. The development business also completed its first foray into an international market as part of the platform’s expansion strategy, highlighting our commitment to growth, our deep understanding of market dynamics, and our ability to both deliver and execute based on our customers’ needs.

Meanwhile, Aldar Investment continued to demonstrate its resilience with best-in-class asset management expertise, a well-diversified portfolio, and a laser-focused growth agenda at its core. Net operating income for the business was AED 1.72 billion², an 11% year-on-year increase. Performance was bolstered by the marked return of consumer confidence and leisure travel as several key sporting events were held in Abu Dhabi including the UFC and the Formula 1 Grand Prix.

Other businesses within Aldar Investment, continued to perform strongly with Aldar Education witnessing an increase in enrolments in 2021 to its highest since inception, resulting in the business reporting a 42% increase in EBITDA to AED 146 million along with a commitment of AED 1 billion to further diversify its portfolio. Within the Principal Investments business, Provis and Khidmah continue to perform well and delivered a combined EBITDA of AED 58 million, an increase of 62%.

SUSTAINABLE DIVIDEND

- 1-year and 3-year Total Shareholder Returns¹ of 20% and 187%, respectively
- 11% dividend CAGR growth between 2012 and 2021



1. As of close on 31 December 2021.

Note: The investment in Egypt completed on 16 December 2021. As there were no significant transactions or events from the acquisition date to 31 December, our financial results for 2021 do not include the performance of SODIC and the balance sheet was consolidated as of 31 December 2021.

DIVIDEND POLICY

	Aldar Investment	Aldar Development
Policy	Pay-out factor	Distributable free cash flow
	Range	65-80%
Methology / key drivers	Net operating income Less: Interest expense, Maintenance capex, Overheads	Realised profit
2021 dividend:	65%	20%
Payout %	80%	40%

2. Excluding Pivot.

On the ESG front, Aldar continued to push forward with its sustainability priorities and goals, resulting in strong progress during 2021. We were able to recirculate AED 8.8 billion to the local economy through the National In-Country Value Programme, while also securing the region's first sustainability-linked loan, with the AED 300 million five-year facility linked to the company's sustainability performance. Aldar also joined the United Nations Global Compact, adopted the Task Force on Climate Related Financial Disclosures framework, and attained the highest ESG rating amongst publicly listed real estate developers in the UAE – an achievement we are extremely proud of.

In 2022, we have continued to build on our solid ESG foundations, with the signing of an agreement with Emirates Water and Electricity Company (EWEC) to adopt clean energy across all of Aldar's owned and managed operating assets. In parallel, Aldar has also launched a portfolio-wide energy management project to reduce energy consumption by approximately 20% across 80 assets including hotels, schools, commercial, leisure, retail, and residential buildings.

“Aldar continued to push forward with its sustainability priorities and goals, resulting in strong progress during 2021.”

The Group's balance sheet remains robust with the firm well-funded, along with a strong liquidity position to drive its future growth. Looking ahead, the company is embarking on a transformational phase of growth, and we envisage significant investment activity across all our businesses, with over AED 5.0 billion allocated to pursue new opportunities throughout 2022.

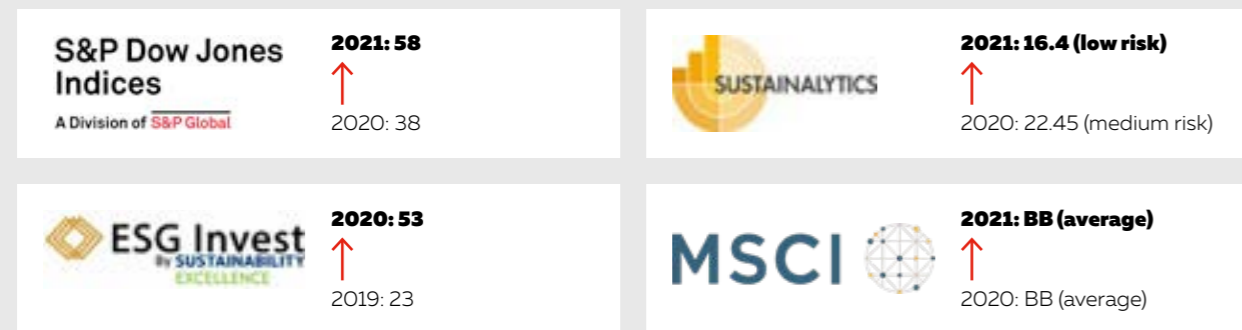
Our diversified business profile, new operating model, solid balance sheet fundamentals, and the significant capital available to deploy position us well to deliver on our aspirations from a strategic, financial, and growth perspective throughout 2022. The fundamentals of Abu Dhabi's real estate market remain strong, and we are excited to embark on our transformational growth journey that will enable us to build scale and diversify our platform at an accelerated rate while continuing to forge ahead with our ambitious sustainability agenda.

GREG FEWER
CHIEF FINANCIAL AND SUSTAINABILITY OFFICER OF ALDAR PROPERTIES

“The Group's balance sheet remains robust with the firm well-funded and along with a strong liquidity position to drive its future growth. Looking ahead, the company is embarking on a transformational phase of growth, and we envisage significant investment activity across all our businesses.”

ESG RATINGS

YEAR-ON-YEAR ESG RATING IMPROVEMENT



LEVERAGE¹

	Aldar Investment	Aldar Development
Outstanding Debt (AED bn) (as at 31 Dec 21)	<ul style="list-style-type: none"> Sukuk: 3.7bn Bank: 3.5bn 	<ul style="list-style-type: none"> Bank: 1.2bn (o/w SODIC: 596m)
LTV ² (as at 31 Dec 21)	38.5%	15.2%
Leverage Policy	<40%	<25%
Cost of debt	3.27% (2.81% excluding SODIC)	
Average maturity	4.02 yrs (4.08 yrs excluding SODIC)	
Liquidity	<ul style="list-style-type: none"> AED 5.4bn free and subsidiary cash AED 4.7bn committed undrawn bank facilities 	
AIP Credit Rating	<ul style="list-style-type: none"> Baa1 stable (Moody's) Issuer of US\$ 1bn of Islamic bonds maturing in 2025 and 2029 	

1. Includes SODIC.
2. Gross debt.

EPRA REPORTING DISCLOSURES AS OF 31 DECEMBER 2021

Aldar Properties PJSC ("Aldar" or the "Group") presents below the key performance indicators as defined by the European Public Real Estate Association (EPRA) and as calculated in accordance with its recommendations. We have presented the following metrics for the years ended 31 December 2021 and 31 December 2020:

- EPRA earnings
- EPRA net asset value
- EPRA yield
- EPRA vacancy rate
- EPRA cost ratios

During the year, the basis of allocation of certain expenses to Aldar Development and Aldar Investment segments have been revised. Based on this revision, the calculation for "EPRA Earnings" and "EPRA Cost Ratios" for the year ended 31 December 2020 have been updated to make it comparable to 2021 presentation.

The EPRA Best Practice Recommendations ("BPR") identify several key performance measures for disclosure by public real estate companies and have been widely adopted in Europe. The EPRA performance measures aim to encourage more consistent and widespread disclosure and are deemed to be of importance for investors in listed property companies (predominantly REITs and companies whose major business activity involves the ownership of income-producing real estate). As a leading regional property owner, asset manager and developer, Aldar deems the EPRA BPR to be a suitable and relevant disclosure framework.

The EPRA measures presented herein are calculated in accordance with the EPRA BPR Guidelines. Aldar has been a member of EPRA since 2018 and is publishing EPRA disclosure in this report for the years ended 31 December 2021 and 31 December 2020. Aldar is the first real estate company in the GCC region to voluntarily adopt the EPRA BPR disclosure.

The following category of indicators are presented in the next pages – the first metric which is "EPRA earnings" indicates the underlying recurring earnings from Aldar Investment, the asset management business of the Group. The next two metrics which are "adjusted EPRA earnings" and "EPRA net asset value" indicate the overall Group financial position. The remaining three metrics "EPRA yield", "EPRA vacancy rate" and "EPRA cost ratio" indicate the financial performance of the Investment Properties sub-segment of the Group.

(AED millions)	31 December 2021	31 December 2020
EPRA Earnings	884.4	784.9
– per share (AED)	0.11	0.10
Adjusted EPRA Earnings	2,077.7	1,836.3
– per share (AED)	0.26	0.23
EPRA NAV Metrics		
EPRA Net Reinstatement Value (EPRA NRV)	31,517.8	28,888.2
– per share (AED)	4.01	3.67
EPRA Net Tangible Assets (EPRA NTA)	31,224.6	28,860.1
– per share (AED)	3.97	3.67
EPRA Net Disposable Value (EPRA NDV)	31,102.0	28,490.1
– per share (AED)	3.96	3.62
EPRA NIY (%)	7.9%	8.0%
EPRA 'topped up' NIY (%)	8.2%	8.6%
EPRA vacancy rate (%)	9.9%	14.7%
EPRA cost ratio (incl. direct vacancy costs) (%)	24.4%	20.9%
EPRA cost ratio (excl. direct vacancy costs) (%)	23.1%	18.2%

ADJUSTED EPRA EARNINGS

The EPRA earnings measure represents the performance of recurring activities which relate specifically to the Group's asset management business segment, Aldar Investment. EPRA earnings for the year ended 2021 were AED 884 million versus AED 785 million for the previous year, due to recovery in the hospitality and retail sectors in addition to the growth in education from higher enrolments.

Adjusted EPRA earnings is presented to capture the contribution of Aldar Development business segment, which represents a significant portion of Aldar's overall activities. We believe the adjusted EPRA earnings is an appropriate indicator as it represents the full business and is therefore comparable with Aldar's reported IFRS earnings, earnings per share and Aldar's share price.

Adjusted EPRA earnings amounted to AED 2,078 million (AED 0.26 per share) for the year ended 31 December 2021 (31 December 2020: 1,836 million, AED 0.23 per share).

EPRA Earnings (AED '000)	31 December 2021	31 December 2020 (Restated)
Earnings per IFRS income statement	2,315,601	1,932,238
Adjustments to calculate EPRA Earnings, exclude:		
(i) Changes in value of investment properties, development properties held for investment and other interests	146,383	(399,850)
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	12,600	495,760
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties.	1,193,360	1,051,474
(iv) Tax on profits or losses on disposals	-	-
(v) Negative goodwill / goodwill impairment	99,469	-
(vi) Changes in fair value of financial instruments and associated close-out costs	-	-
(vii) Acquisition costs on share deals and non-controlling joint venture interests	(20,597)	-
(viii) Deferred tax in respect of EPRA adjustments	-	-
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	-	-
(x) Non-controlling interests in respect of the above	-	-
EPRA Earnings	884,385	784,854
Basic number of shares	7,862,629,603	7,862,629,603
EPRA Earnings per Share (EPS)	0.11	0.10
Company specific adjustments:		
(a) Profit from development business (including impairment of development assets)	1,193,360	1,051,474
Adjusted EPRA Earnings	2,077,746	1,836,328
Adjusted EPRA EPS (AED)	0.26	0.23

EPRA NET ASSET VALUE

EPRA net asset value measures the value of Aldar based on changes in equity and changes in the value of asset portfolios, liabilities, and property development. Aldar's EPRA net asset value figures are based on the fair value of the Group's assets (including the fair value of certain land which is historically carried at nominal value on the consolidated statement of financial position). The three EPRA net asset value metrics are listed below:

EPRA Net Reinstatement Value (EPRA NRV)

Assumes that entities never sell assets and aims to represent the value required to rebuild the entity. Aldar's EPRA NRV stood at AED 31,518 million as of December 31, 2021 (AED 4.01 per share), +9.1% on the previous year.

EPRA Net Tangible Assets (EPRA NTA)

Reflects the fair value of the Group's tangible assets and liabilities when traded. Aldar's EPRA NTA amounted to AED 31,253 million (AED 3.97 per share), +8.3% on the previous year.

EPRA Net Disposable Value (EPRA NDV)

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. Aldar's EPRA NDV totaled AED 31,130 million (AED 3.96 per share), +9.3% on the previous year.

- We would note that the net asset values presented here are conservative estimates of the EPRA net asset values as they exclude certain key value elements. Certain assets are included at their respective book values instead of fair value. (These assets mainly include school properties and intangible assets)
- DWIP and Inventories are recorded at expected selling price (estimated values)

The assets acquired as part of the investment in Sixth of October for Development and Investment Company (SODIC) are not adjusted as they were already recorded at fair value on acquisition on 16 December 2021.

As we build and progress our EPRA disclosure history, we will strive to incorporate these and other important elements of incremental value into the net asset value metrics on an ongoing basis.

EPRA REPORTING DISCLOSURES AS OF 31 DECEMBER 2021 continued

EPRA NET ASSET VALUE continued

B. EPRA Net Asset Value Metrics	31 December 2021			31 December 2020		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
IFRS Equity attributable to shareholders	26,921,570	2,921,570	26,921,570	25,630,793	25,630,793	25,630,793
Include / Exclude:						
Hybrid instruments	-	-	-	-	-	-
Diluted NAV	26,921,570	26,921,570	26,921,570	25,630,793	25,630,793	25,630,793
Include:						
Revaluation of IP (if IAS 40 cost option is used)	-	-	-	-	-	-
Revaluation of IPUC (if IAS 40 cost option is used)	-	-	-	-	-	-
Revaluation of other non-current investments	494,572	494,572	494,572	526,884	526,884	526,884
Revaluation of tenant leases held as finance leases	-	-	-	-	-	-
Revaluation of trading properties	4,143,404	4,143,404	4,143,404	2,715,197	2,715,197	2,715,197
Diluted NAV at Fair Value	31,559,546	31,559,546	31,559,546	28,872,874	28,872,874	28,872,874
Exclude:						
Deferred tax in relation to fair value gains of IP	-	-	-	-	-	-
Fair value of financial instruments	(13,651)	(13,651)	-	15,330	15,330	-
Goodwill as a result of deferred tax	(28,073)	(28,073)	(28,073)	-	-	-
Goodwill as per the IFRS balance sheet	-	(107,287)	(107,287)	-	(3,259)	(3,259)
Intangibles as per the IFRS balance sheet	-	(185,908)	-	-	(24,826)	-
Include:						
Fair value of fixed interest rate debt	-	-	(322,205)	-	-	(379,478)
Revaluation of intangibles to fair value	-	-	-	-	-	-
Real estate transfer tax	-	-	-	-	-	-
NAV	31,517,822	31,224,627	31,101,981	28,888,204	28,860,119	28,490,137
Fully diluted number of shares	7,862,629,603	7,862,629,603	7,862,629,603	7,862,629,603	7,862,629,603	7,862,629,603
NAV per share	4.01	3.97	3.96	3.67	3.67	3.62

EPRA NET INITIAL YIELD (NIY) AND 'TOPPED-UP' NIY

The table below represents the adjustments to Aldar's net yields that are required to obtain EPRA yields. The calculation is applied to Aldar's Investment Properties segment that includes retail, residential and commercial use properties. Aldar's EPRA NIY for 2021 is 7.9%, broadly flat compared to 8.0% in the previous year. This is mainly due to the fair value gains and timing delay in income recognition.

Aldar's 'topped-up' NIY, which captures notional rent expiration of rent-free periods or other lease incentives stands at 8.2%, down from 8.6% in the previous year. Lease incentives decreased in 2021 as the COVID-19 related stimulus provided in 2020 completed.

EPRA NIY and 'topped-up' NIY	31 Dec 2021	31 Dec 2020
Investment property – wholly owned	18,025,935	16,462,916
Investment property – share of JVs/Funds	-	-
Trading property (including share of JVs)	-	-
Less: developments	1,408,257	569,193
Completed property portfolio	16,617,678	15,893,723
Allowance for estimated purchasers' costs	373,898	357,609
Gross up completed property portfolio valuation	B 16,991,576	16,251,332
Annualised cash passing rental income	1,585,721	1,473,409
Property outgoings	246,201	174,092
Annualised net rents	A 1,339,520	1,299,317
Add: notional rent expiration of rent free periods or other lease incentives	51,152	104,378
Topped-up net annualised rent	C 1,390,671	1,403,695
EPRA NIY	A/B 7.9%	8.0%
EPRA "topped-up" NIY	C/B 8.2%	8.6%

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 including the portfolio in Egypt. Properties under development are not included in the calculation of this ratio.

EPRA Vacancy Rate	31 December 2021	31 December 2020
Estimated Rental Value of vacant space (AED '000)	A 186,979	274,049
Estimated rental value of the whole portfolio (AED '000)	B 1,882,202	1,863,346
EPRA Vacancy Rate	A/B 9.9%	14.7%

Across the Investment Properties portfolio, which includes residential, retail and commercial office, the EPRA vacancy rate has decreased to 9.9% from 14.7% in 2020. This drop in the vacancy rate is largely attributable to the retail segment.

EPRA COST RATIOS

Aldar's EPRA cost ratios are based solely on its Investment Properties segment, which includes retail, residential and commercial use assets. Aldar's cost ratios increased during the year due to higher operating expenses in 2021 due to additional assets coming into the portfolio during the year and due to the increase in revenue and additional costs relating to COVID-19 safety precautions such as security.

EPRA Cost Ratios	31 December 2021	31 December 2020
Include:		
Administrative/operating expense line per IFRS income statement	413,004	343,696
Net service charge costs/fees		
Management fees less actual/estimated profit element		
Other operating income/recharges intended to cover overhead expenses less any related profits		
Share of Joint Ventures expenses		
Exclude (if part of the above):		
Investment property depreciation		
Ground rent costs		
Service charge costs recovered through rents but not separately invoiced		
EPRA Costs (including direct vacancy costs)	A 413,004	343,696
Direct vacancy costs	21,841	45,402
EPRA Costs (excluding direct vacancy costs)	B 391,163	298,294
Gross Rental Income less ground rents – per IFRS	1,690,043	1,642,536
Less: service fee and service charge costs components of Gross Rental Income (if relevant)		
Add: share of Joint Ventures (Gross Rental Income less ground rents)		
Gross Rental Income	C 1,690,043	1,642,536
EPRA Cost Ratio (including direct vacancy costs)	A/C 24.4%	20.9%
EPRA Cost Ratio (excluding direct vacancy costs)	B/C 23.1%	18.2%

HISTORICAL FINANCIAL PERFORMANCE

The following section presents the historical financial performance of the Group, split into real estate and non-real estate operations for the past five fiscal years (including the year ended 31 December 2021).

Real estate operations include investment properties; hospitality (only room-related); property development and sales; and construction. Non-real estate operations include fee-based development management; hospitality (non-room); and principal investments (excluding construction). Non-real estate operations also include the gain on bargain purchase that is a one-off transaction.

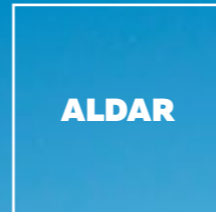
The last five-year average annual EBITDA percentage contribution from real estate operations to overall Aldar Group EBITDA (including the fiscal year 2021) is approximately 85%. In 2020 and 2021, the EBITDA contribution from real estate operations was below the last five-year average. In 2020, this was mainly due to a one-off sale of district cooling assets (refer to Note 45 of the consolidated financial statements). In 2021, while Real Estate operations' performance returned to pre-COVID-19 levels, contribution to overall EBITDA excluding one-off transactions increased significantly from Non Real Estate operations' performance.

	31 December 2021			31 December 2020			31 December 2019			31 December 2018			31 December 2017		
	Real estate operations AED '000	Non real estate operations AED '000	Total AED '000	Real estate operations AED '000	Non real estate operations AED '000	Total AED '000	Real estate operations AED '000	Non real estate operations AED '000	Total AED '000	Real estate operations AED '000	Non real estate operations AED '000	Total AED '000	Real estate operations AED '000	Non real estate operations AED '000	Total AED '000
Revenue	5,895,406	2,680,544	8,575,950	5,959,482	2,432,996	8,392,478	5,428,669	1,719,212	7,147,881	5,053,374	1,233,159	6,286,533	5,172,299	1,008,377	6,180,676
Direct costs	(2,996,323)	(1,975,510)	(4,971,833)	(3,330,793)	(2,071,563)	(5,402,356)	(2,859,564)	(1,518,673)	(4,378,237)	(2,480,870)	(1,173,976)	(3,654,846)	(2,602,772)	(922,399)	(3,525,171)
Gross profit	2,899,083	705,033	3,604,117	2,628,689	361,433	2,990,122	2,569,105	200,539	2,769,644	2,572,504	59,183	2,631,687	2,569,527	85,978	2,655,505
Selling and marketing expenses	(171,622)	(10,970)	(182,592)	(125,449)	-	(125,449)	(109,522)	-	(109,522)	(85,440)	-	(85,440)	(74,978)	-	(74,978)
General and administrative expenses	(757,677)	(172,844)	(930,521)	(614,128)	(75,641)	(689,769)	(566,167)	49,662	(516,505)	(436,874)	28,643	(408,231)	(288,358)	(35,131)	(323,489)
Staff costs	(363,783)	(87,745)	(451,529)	(253,853)	-	(253,853)	(237,423)	-	(237,423)	(218,948)	-	(218,948)	(227,767)	-	(227,767)
Provisions, impairments and write-downs, net	(244,900)	(2,151)	(247,051)	(272,437)	(23,365)	(295,802)	(203,981)	51,306	(152,675)	(78,691)	28,643	(50,048)	43,952	(35,131)	8,821
Others	(148,994)	(82,948)	(231,941)	(87,838)	(52,276)	(140,114)	(124,763)	(1,644)	(126,407)	(139,235)	-	(139,235)	(104,543)	-	(104,543)
Gain/(loss) on disposal of property, plant and equipment	-	(2,037)	(2,037)	0	54	54	23,014	(50)	22,964	-	-	-	-	-	-
Fair value loss on investment properties, net	146,383	-	146,383	(399,850)	-	(399,850)	(374,751)	-	(374,751)	(671,046)	-	(671,046)	(613,107)	-	(613,107)
Gain on transfer from DWIP to IP	-	-	-	3,343	-	3,343	-	-	-	-	-	-	-	-	-
Gain on disposal of investment properties	14,637	-	14,637	4,396	-	4,396	23,856	-	23,856	-	-	-	3,835	-	3,835
Share of results of associates and joint ventures	(8,214)	-	(8,214)	(9,875)	-	(9,875)	(3,096)	-	(3,096)	49,863	-	49,863	41,544	-	41,544
Investments in financial assets at FVTPL	(1,271)	-	(1,271)	-	-	-	-	-	-	-	-	-	-	-	-
Gain on disposal of subsidiaries	-	-	-	(0)	429,535	429,535	-	-	-	-	-	-	-	-	-
Gain on disposal of businesses	-	-	-	(0)	58,432	58,432	-	-	-	-	-	-	-	-	-
Gain on exchange of properties, net of write-downs	-	-	-	-	-	-	388,384	-	388,384	-	-	-	-	-	-
Gain on disposal of joint venture	-	-	-	-	-	-	-	-	-	30,319	-	30,319	-	-	-
Gain on bargain purchase	-	99,469	99,469	-	-	-	-	-	-	-	-	-	-	-	-
Other income	60,353	4,501	64,854	188,013	1,524	189,537	256,067	2,320	258,387	635,077	132,791	767,868	627,049	5,163	632,212
EBITDA	2,181,673	623,152	2,804,825	1,675,139	775,337	2,450,476	2,206,890	252,471	2,459,361	2,094,402	220,618	2,315,020	2,265,512	56,010	2,321,522
Depreciation and amortisation	-	-	(254,262)	-	-	(274,791)	-	-	(268,550)	-	-	(230,142)	-	-	(185,976)
Finance income	-	-	48,444	-	-	67,240	-	-	84,087	-	-	79,735	-	-	124,642
Finance costs	-	-	(265,558)	-	-	(310,697)	-	-	(349,719)	-	-	(309,749)	-	-	(254,253)
Profit for the year			2,333,449			1,932,228			1,925,179			1,854,864			2,005,935

Note: The investment in Egypt completed on 16 December 2021. As there were no significant transactions or events from the acquisition date to 31 December, our financial results for 2021 do not include the performance of SODIC and the balance sheet was consolidated as of 31 December 2021.

A DIVERSIFIED OPERATING MODEL

Over the past 16 years, Aldar’s business model has evolved from a pure play developer to a diversified property development and investment company represented by two core business segments: Aldar Development and Aldar Investment. Within each business are several sub-segments that contribute to the overall Group’s financial performance.



ALDAR DEVELOPMENT
 Aldar Development comprises Aldar’s core UAE businesses: homebuilding business responsible for developing Aldar’s expansive land bank and Aldar’s fee-based development management business. It also consolidates Aldar’s Egypt platform (primarily comprised of SODIC).

PROPERTY DEVELOPMENT & SALES
 Aldar’s homebuilding business responsible for developing Aldar’s expansive land bank.

PROJECT MANAGEMENT SERVICES
 Aldar Projects manages the fee-based development management business.

EGYPT
 Aldar Egypt will develop integrated mixed-use communities in Egypt.

➤ Read more in our market overview on pages 10 to 15.

ALDAR INVESTMENT
 Aldar Investment is Aldar’s core asset management business and comprises a leading real estate investment platform¹ and three additional businesses (Hospitality & Leisure, Education and Principal Investments).

INVESTMENT PROPERTIES
 comprises prime real estate in the retail, residential and commercial segments across Abu Dhabi.

HOSPITALITY & LEISURE
 owns a portfolio of hotel and leisure assets principally located on Yas Island and Saadiyat Island.

ALDAR EDUCATION
 is the leading private education provider in Abu Dhabi.

PRINCIPAL INVESTMENTS
 includes Provis, a property management business, Khidmah, a facilities management business, and Pivot, a construction services business.

➤ Read more in our market overview on pages 10 to 15.

- FINANCE & SUSTAINABILITY
- STRATEGY
- PEOPLE
- LEGAL
- AUDIT
- EXCELLENCE

1. Aldar Investment owns Aldar Investment Properties LLC (AIP) rated Baa1 (stable) by Moody’s, owner of a diversified portfolio of prime real estate assets (retail, residential and commercial) in Abu Dhabi.

ALDAR DEVELOPMENT

Aldar Development is a master developer of integrated, liveable, and thriving communities across Abu Dhabi's most desirable destinations, including Yas Island, Saadiyat Island, Al Raha, and Reem Island.

It is responsible for developing, marketing, and selling Aldar's diverse and strategic land bank. It also manages Aldar's fee-based development management business, including over AED 40 billion of government housing and infrastructure projects, and houses Aldar Egypt, the platform focused on developing mixed-use communities in Egypt.

2021 HIGHLIGHTS

AED 7.2bn
DEVELOPMENT SALES +100%
VERSUS 2020

AED 6.0bn
REVENUE BACKLOG

92% Sold
ACROSS ALL PROJECTS
CURRENTLY UNDER
CONSTRUCTION

+30%
DEVELOPMENT BUSINESS
GROSS PROFIT

36%
GROSS PROFIT MARGIN
FIRST ENTRY INTO AN
INTERNATIONAL MARKET
BY LEADING A CONSORTIUM
IN THE ACQUISITION OF AN
85.52% STAKE IN ONE OF
EGYPT'S LEADING LISTED
REAL ESTATE DEVELOPMENT
COMPANIES, SIXTH OF
OCTOBER DEVELOPMENT
AND INVESTMENT COMPANY
(SODIC)

JONATHAN EMERY
CHIEF EXECUTIVE OFFICER
OF ALDAR DEVELOPMENT



Without question, 2021 was a year characterised by significant activity across every segment of Aldar Development.

Through a comprehensive and in-depth understanding of local market dynamics and our data-driven approach, we were able to focus on releasing a range of new projects into the market that both addressed and satisfied customer demands. Coupled with the continued sales of existing inventory, our strong brand equity and our market-leading execution capabilities, the business recorded the highest ever annual sales figure of AED 7.2 billion – double the value of sales in 2020. This record-breaking achievement resulted in a revenue of AED 5.03 billion, up 1% year-on-year, and a gross profit of AED 1.82 billion, up 30% year-on-year.

Our projects at strategic and prime locations throughout Abu Dhabi, including Yas Island and Saadiyat Island, continue to attract substantial interest. We are seeing increasing demand from international and resident expatriate customers, demonstrating the strong global confidence in Abu Dhabi's real estate market and Aldar's ability to deliver high-quality products. The broadening of our customer profiles was a key target we set for 2021 and with the rising number of first-time and female buyers, our strategy and approach have been firmly reinforced.

The remarkable sales performance of developments such as Yas Acres and Noya throughout 2021 reflects the significant appeal of our offering to both investors and homeowners alike. With a solid pipeline of projects to launch this year, we expect to see continued demand across our portfolio of prime destinations – demand which continues to be bolstered by the rebound in market and consumer activity that we have witnessed over 2021.

Meanwhile, the third-party development management business generated revenue of AED 1.39 billion, increasing 10% compared to last year, and gross profit of AED 440 million, up 105% year-on-year. This business continues to undergo a significant expansion, driven by a number of key infrastructure and housing projects for Abu Dhabi Government, providing increased

visibility and predictability on fee income and cementing the pivotal role Aldar continues to play in shaping Abu Dhabi's real estate sector. This strong, trust-based private-public partnership will continue to prosper and be one of our key growth drivers in the coming years.

2021 was also a significant year for our international operations. Our revamped operating model allowed us to act swiftly in the acquisition of a majority stake in one of Egypt's leading real estate companies, SODIC. With an Aldar-led consortium owning 85.52% of SODIC, we are leveraging our broad real estate expertise to build out SODIC's market share through projects in key markets across the country.

Looking ahead we will continue to seek further value-accretive opportunities – both organic and inorganic – in our target markets of Egypt, Saudi Arabia, and of course, the UAE. Emboldened by our remarkable performance, the significant activity and strong momentum over 2021, our business will sustain its focus on the execution and delivery of world-leading and purpose-built communities with operational excellence, technology adoption, and sustainability at their core.

DESTINATIONS

SAADIYAT ISLAND

Following the acquisition of land from Tourism Development & Investment Company (TDIC) in 2018 and the land swap with the Government of Abu Dhabi in late 2019, Saadiyat Island now sits at the heart of Aldar's development business. Saadiyat Island is a premier island destination, spanning 27 square kilometres and created around an environmentally sensitive philosophy and low-density master plan. The island is home to three main areas, Saadiyat Cultural District, Saadiyat Beach District and Saadiyat Marina District.

Saadiyat's vibrant Cultural District will bring together Louvre Abu Dhabi, Zayed National Museum and The Guggenheim Abu Dhabi – all designed

by Pritzker prize winners. The area is also home to the purpose-built art and culture centre, Manarat AlSaadiyat and The UAE Pavilion.

With a pristine beachfront, home to several five-star hotels, a golf course and beach club, the island is a prestigious address in Abu Dhabi, which offers an immaculate lifestyle. The island also hosts world-class educational offerings, including The Redwood Nursery, Cranleigh Abu Dhabi and New York University Abu Dhabi.

Aldar delivered both the Mamsha Al Saadiyat and Jawaher developments in 2019, bringing new residential options to the market. This will soon be complemented by the launch of Saadiyat Grove, a mixed-use development in the heart of the Cultural District..



Updated Master Plan

- Government cultural investments
- Early activations
- Infrastructure and Utilities

Residential focus with retail, commercial and hospitality

The Grove
Saadiyat Living
Mamsha next phase

Note: The investment in Egypt completed on 16 December 2021. As there were no significant transactions or events from the acquisition date to 31 December, our financial results for 2021 do not include the performance of SODIC and the balance sheet was consolidated as of 31 December 2021.

DESTINATIONS

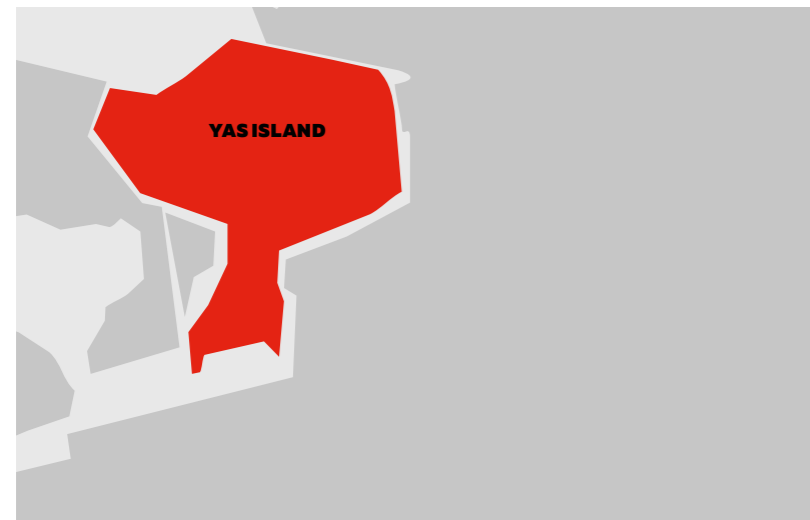
YAS ISLAND

Yas Island has been at the centre of Aldar's development strategy since the Company's inception. The original masterplan concept behind Yas Island was to develop a world-class leisure and entertainment hub that includes a Formula 1 circuit, theme parks, golf courses, marinas, retail and concert arenas. The delivery of these attractions has played an important role in supporting the tourism growth witnessed in Abu Dhabi over the past decade.

Yas Island remains central to Aldar's strategy for the development and asset management businesses. To date, Aldar has delivered nearly 2,200 residential units to customers and currently has

more than 3,000 units under development, which will significantly increase the island's population in the coming years. Aldar is also developing the new twofour54 media and entertainment free-zone that will bring approximately 10,000 permanent workers onto Yas Island following its scheduled completion in 2022.

From an asset management perspective, the majority of Aldar's hotel portfolio is located on Yas Island, with the Yas Plaza complex and Yas W hotels accounting for close to 2,000 keys. Aldar's flagship retail asset, Yas Mall, which sits at the centre of the island, is Abu Dhabi's premier shopping destination with over 400 international brands and the region's largest international department store.



New Master Plan for North Yas

- Government entertainment investments
- Infrastructure upgrades

Residential focus

Noya next phases
Waters Edge next phase
Acres next phases
Differentiated communities offer

MINA ZAYED

Part of the land swap deal with the Government of Abu Dhabi in 2019, Aldar Properties received prime infrastructure enabled land in Mina Zayed in exchange for Lulu Island adjacent to Abu Dhabi Island. Aldar will play an active role in this urban regeneration project, where it will be developing prime land plots, spanning a gross floor area (GFA) of approximately 1.5 million sqm, as a sea front destination that encompasses tourist, residential, commercial, service and cultural facilities.

This strategically located project, adjacent to a vibrant cultural hub and a logistics centre, forms an integral part of Aldar's future development plans and is in line with its ongoing commitment to develop key destinations that contribute to Abu Dhabi's growth in the long run.



New Master Plan

- Early activation of Mina Souk
- District oversight and coordination

Residential focus mixed use

The Marina
The Rocks
On the Park

DESTINATIONS

AL GHADEER

The development is located on the borders of Dubai and is well connected between both major cities through a series of highways and truck roads, connecting it to all major economic growth nodes. It is only 20 minutes' drive from major economic catalysts like Kizad, Jabal Ali port and Free Zone, Al Maktoum Airport, and 40 minutes' drive to the heart of the UAE's largest cities.

Phase 2 of the development was handed over in April 2021 with several amenities including community pools, kids play area, cycling routes, basketball pitches and outdoor gyms. This is in addition to the existing

amenities in phase 1 that include a nursery, Wheatfields supermarket, coffee shop and salon. The work is also progressing to build a new Lulu hypermarket and a school; both are expected to be completed and operational by mid 2025. Total number of units developed is 2,800 units.

Further phases, consisting of approximately 11,400 units are planned to be developed over the next 5-10 years, will be based on the concept of sustainable circular economy with a variety of land uses, entertainment hubs and economic catalysts.

New Master Plan

- Park Life
- LULU Hyper market
- English School



SHAMS REEM ISLAND

Shams Reem Island is closely connected to the traditional centre of Abu Dhabi city and the new financial centre on Maryah Island by five bridges and is only a 20-minute drive from Abu Dhabi International Airport. The island offers the very best in capital living in a beautiful setting with breathtaking views of the city and its surroundings.

Key amenities include Repton School, Sorbonne University, Boutik Mall, Gate Towers, Sun and Sky Towers, and Reem Central Park. Aldar's master-planned community on Reem Island includes The Gate and Arc Towers, and Sun and Sky Towers. Following completion of Aldar's first mid-market positioned residential product, Meera, in 2019, Aldar's next handover on the island will be The Bridges development.

Updated Master Plan

- Responding to changing customer needs

Shams Living



DESTINATIONS

AL REEMAN

The Al Reeman development consists of two large parcels of lands located in Al Shamkha, next to the new developing area of Abu Dhabi, close to Aldar flag ship development of Motor world, Madinat Al Riyad, Banyas, Abu Dhabi University, Shakhbout Medical city and Abu Dhabi International Airport.

Al Reeman 1 is a mixed use freehold development for all nationalities, consisting of residential villa plots and low rise commercial plots ranging in height between G+5 to G+7 along with retail plots, big box retail and other amenities. These include clinics,

schools, post offices and a sports centre. Al Reeman 1 handover to buyers started in December of 2021 and is gong well.

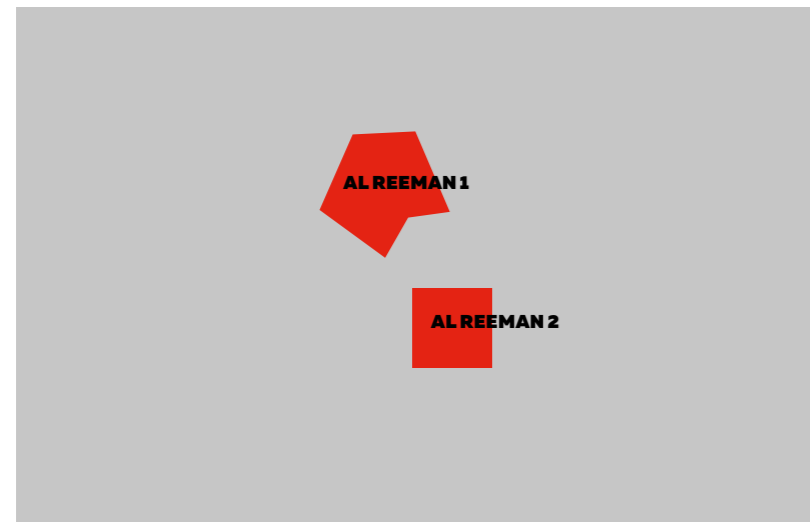
Al Reeman 2 is predominantly villa plots with phase one launched and sold out in 2019. The anticipated hand over is September 2022. Phases two and three are 1,111 villas aimed at mid income UAE nationals and will feature additional amenities.

New Master Plan

- Park Life
- LULU Hyper market
- English School

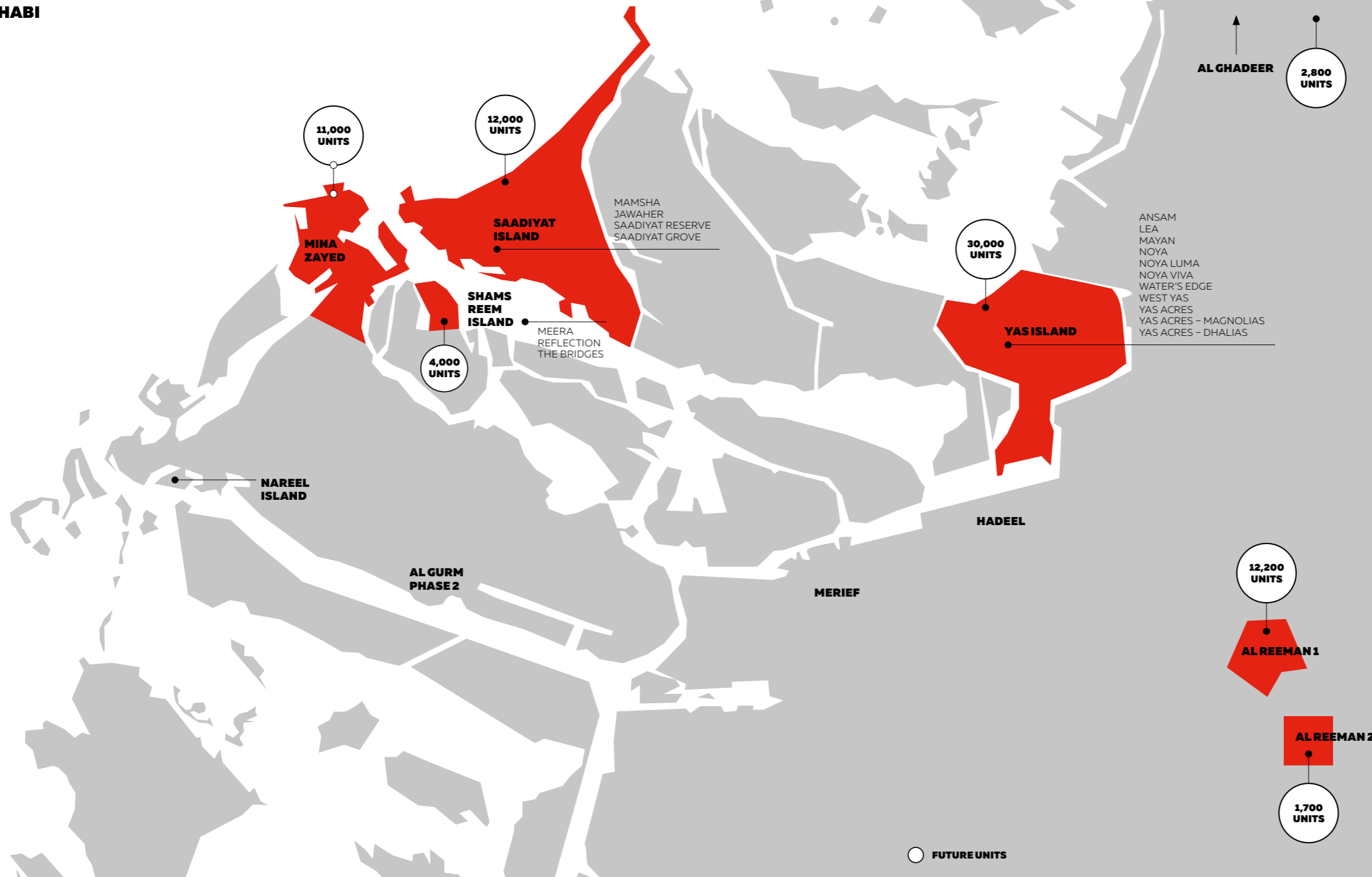
New Development Plans

- Fay Al Reeman
- Retail Hyper market
- Upcoming Commercial Offering



Aldar has GFA for ~60,000 units across its strategically located masterplans, in addition to un-master planned land bank Al Ghadeer, supporting migratory trends, national household formation and demand for unit upgrading.

ABU DHABI



LAND BANK

Aldar's original business model stems from taking raw land, developing infrastructure and creating a masterplan that sets out a clear vision for the destination. Aldar's exceptional experience in creating Abu Dhabi's key destinations continues to be a driver of value generation and will serve the company well in the future.

As at 31 December 2021, Aldar's land bank comprises of a diverse portfolio of approximately 65 million square metres (sqm) of land and 13 million sqm of GFA at various stages of development. The land bank stretches across the Emirate of Abu Dhabi, ranging from key destinations such as Yas Island, Shams Reem Island, Saadiyat Island and Mina Zayed. Aldar also owns significant land in established locations on Abu Dhabi Island and in the broader Abu Dhabi mainland region, which includes Al Ghadeer on the border with Dubai.

This diversified land bank has allowed Aldar to offer a broad range of residential products through the real estate cycle. Over the past six years, Aldar has launched over 12,000 off-plan residential units across 26 development projects, ranging from mid-market studio apartments to luxury palaces, catering to a wide segment of the market.

DESTINATION DEVELOPMENT

In its role as a master developer, Aldar is responsible for the long-term vision and development of strategic destinations that are instrumental in supporting the long-term development of the emirate of Abu Dhabi. These destinations include Al Raha Beach, Reem Island, Saadiyat Island, Mina Zayed and Yas Island.

PROPERTY DEVELOPMENT & SALES

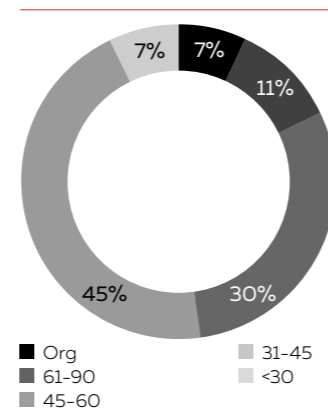
Aldar's core development business is focused on off-plan residential property development through activation of Aldar's diverse land bank. As of 31 December 2021, Aldar had more than 3,500 residential units under development, 92% of which had been sold, including multiple phases of Noya and Yas Acres, Al Gurm and the third phase of Saadiyat Reserve.

During 2021, Aldar Development sales achieved the highest record ever of AED 7.2 billion mostly from Noya Viva, Mamsha, Gurm-2, Reserve Villa, Mayan, Al Ghadeer, S. Reserve, Acres, LEA and Reeman 1&2. Moreover, Aldar sold over close to 2,500 units to customers during 2021 and was able to collect approximately AED 4.5 billion of cash from customers. Aldar's growth in recent years, coupled with a trend for consolidation in the real estate sector, means that the Company enjoys a dominant position in Abu Dhabi, and is a decisive factor in the management of new supply to the market.

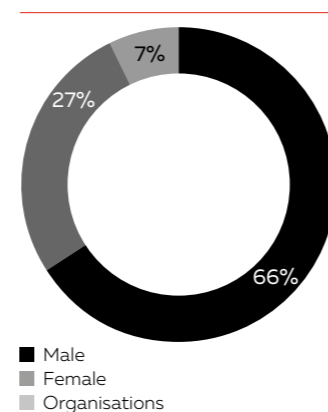
In this context, Aldar managed to achieve approximately AED 4.0 billion of sales annually in the past 5 years, supported by a focused development pipeline that addressed the previously underserved segments of the market. Moreover, in a booming economy such as Abu Dhabi's unique AA economy, Aldar was able to benefit from a growing young and wealthy population, where approximately 7% of all buyers during 2021 were less than 30 years of age.

Since the introduction and amendments of the new real estate law in 2018, where foreigners can own real estate in investment zones and the abolition of the lease hold structures, Aldar's customer nationality started to slowly become more diverse, where foreign buyers now account for 40% of total customers.

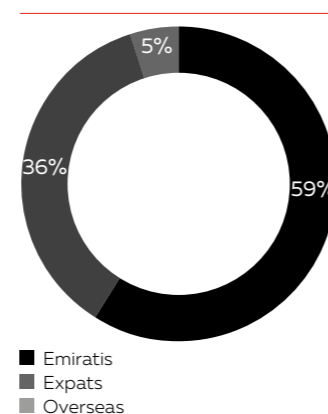
CUSTOMER AGE



CUSTOMER GENDER



CUSTOMER - DOMESTIC AND INTERNATIONAL



DEVELOPMENT SUMMARY

Project	Location	Launch date	Total as at 31 Dec 2021				Project status
			Sold units	Units launched	% sold	% completion	
Ansam	Yas Island	2014	547	547	100%	100%	Handed over
Hadeel	Al Raha Beach	2014	233	233	100%	100%	Handed over
Nareel	Abu Dhabi Island	2015	161	161	100%	100%	Handed over
Merief	Khalifa City	2015	286	286	100%	100%	Handed over
Jawaher	Saadiyat Island	2016	83	83	100%	100%	Handed over
Lea	Yas Island	2019	238	238	100%	100%	Handed over
Meera	Reem Island	2015	407	408	99.8%	100%	Handed over
Mamsha	Saadiyat Island	2016	431	461	93.5%	100%	Handed over
Mayan	Yas Island	2015	336	512	65.6%	100%	Handed over
Yas Acres	Yas Island	2016	649	652	99.5%	100%	Handed over
The Bridges	Reem Island	2017	629	636	98.9%	100%	Handed over
Water's Edge	Yas Island	2017	2,064	2,262	91.2%	100%	On handover
Reflection	Reem Island	2018	164	192	85.4%	100%	Handed over
Al Ghadeer	Seih Sdeirah	2018	539	707	76.2%	100%	Handed over
Al Reeman 1	Al Shamka	2019	920	1,015	90.6%	77%	Under construction
Al Reeman 2	Al Shamka	2019	558	558	100%	51%	Under construction
Reserve	Saadiyat Island	2019	223	224	99.6%	64%	Under construction
Noya	Yas Island	2020	509	510	99.8%	12%	Under construction
Noya Viva	Yas Island	2021	475	479	99.2%	Works in initial stages	Under construction
Noya Luma	Yas Island	2021	189	189	100%	Works in initial stages	Under construction
S. Reserve Villas	Saadiyat Island	2021	82	83	98.8%	Launched	Under construction
Al Gurm Phase 2	Al Gurm	2021	68	71	95.8%	Launched	Under construction
Yas Acres-Magnolias	Yas Island	2021	278	312	89.1%	Launched	Under construction
Yas Acres-Dhalias	Yas Island	2021	86	120	71.7%	Launched	Under construction
Aldar developments (ex handed over)			8,607	9,391	91.7%		
West Yas	Yas Island	2015	960	1,007	95.3%		Handed over
West Yas plots	Yas Island	2018	203	203	100%		Handed over
Total developments			9,770	10,601	92.2%		

EGYPT

Aldar's Egypt platform is primarily comprised of SODIC, one of Egypt's leading real estate companies. With over 25 years of developing award-winning, Class-A, large-scale, mixed-use communities in West Cairo, East Cairo and the North Coast; SODIC is catering to Egypt's growing needs for high quality residential, commercial and retail property. Headquartered in Cairo and listed on the Egyptian stock exchange (EGX) under OCDI.CA, SODIC is one of the few non-family-owned companies traded on the EGX.

SODIC has a strong and diversified project portfolio representing a sales backlog of EGP 22.76 billion (AED 5.3 billion) and 4.85 million square metres of unlaunched land. In 2021, SODIC delivered 1,163 units across its projects, with gross contracted sales reaching a record EGP 11.36 billion (AED 2.66 billion).

Key highlights from 2021 include:

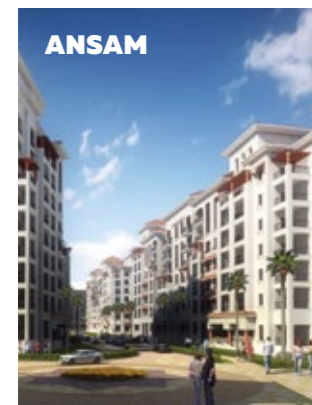
- July 27 2021, SODIC successfully closed its first securitisation bond issuance for a gross receivables portfolio of some EGP 384 million (AED 89.8 million).
- September 2 2021, SODIC acquired a 123 acre land plot directly adjacent to West Cairo project "The Estates" that will serve as an extension to the existing project.

- September 13 2021, SODIC signed a partnership agreement for a 280 acre plot on the North Coast and launched "June" project on the plot.
- October 14 2021, SODIC signed EGP 1.57 billion (AED 367 million) Long-Term Syndicated Facility to finance its flagship development, SODIC West.

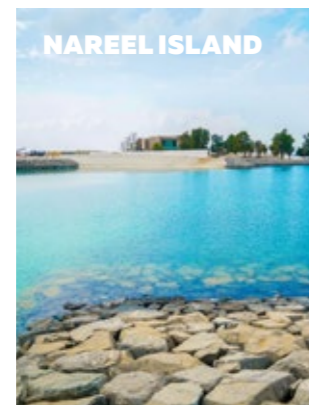
Development pipeline

Since 2014, Aldar has launched over 12,000 residential units and plots, catering to all market segments from mid-market studios to palace plots.

HANDED OVER



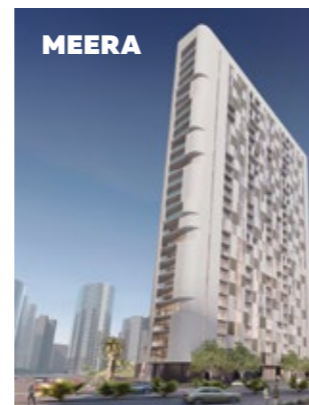
ANSAM
Type: Prime residential apartments
Location: Yas Island
Units launched: 547
Sold as at 31 Dec 2021: 100%



NAREEL ISLAND
Type: Exclusive land plots for villa development
Location: Nareel Island
Units launched: 161
Sold as at 31 Dec 2021: 100%

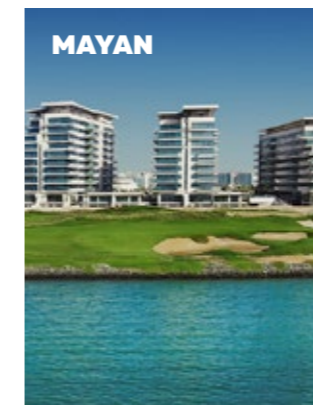


JAWAHER
Type: Golf-view villas and townhouses
Location: Saadiyat Island
Units launched: 83
Sold as at 31 Dec 2021: 100%

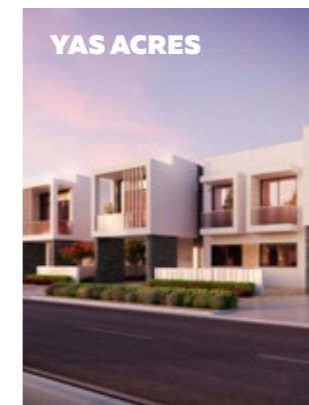


MEERA
Type: Residential apartments
Location: Al Reem Island
Units launched: 408
Sold as at 31 Dec 2021: 99.8%

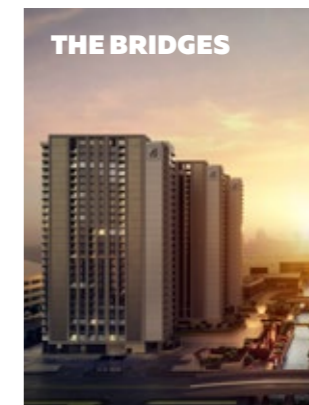
HANDED OVER continued



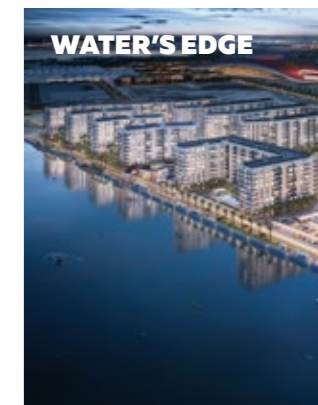
MAYAN
Type: Prime residential apartments
Location: Yas Island
Units launched: 512
Sold as at 31 Dec 2021: 65.6%



YAS ACRES
Type: Villa and townhouse development
Location: Yas Island
Units launched: 652
Sold as at 31 Dec 2021: 99.5%

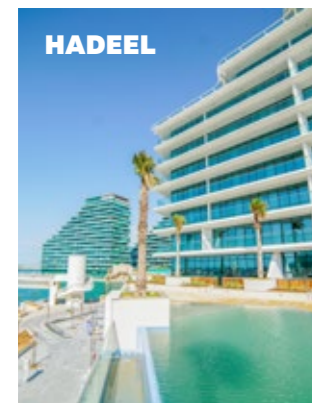


THE BRIDGES
Type: Mid-market units
Location: Reem Island
Units launched: 636
Sold as at 31 Dec 2021: 98.9%

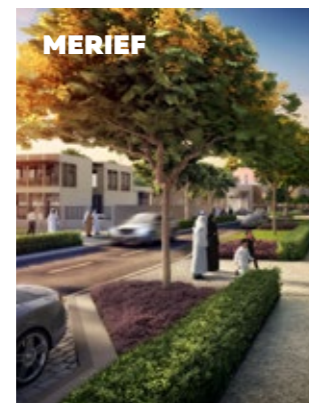


WATER'S EDGE
Type: Mid-market units
Location: Yas Island
Units launched: 2,262
Sold as at 31 Dec 2021: 91.2%

UNDER CONSTRUCTION



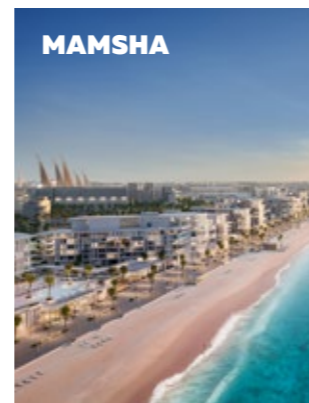
HADEEL
Type: Prime residential apartments
Location: Al Raha Beach
Units launched: 233
Sold as at 31 Dec 2021: 100%



MERIEF
Type: Land plots for villa development
Location: Khalifa City
Units launched: 286
Sold as at 31 Dec 2021: 100%



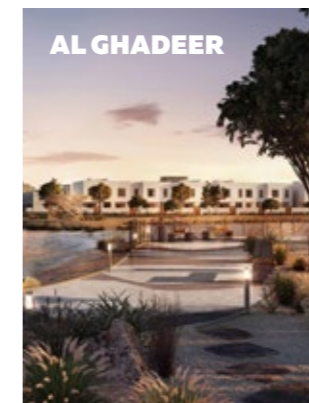
LEA
Type: Land plots
Location: Yas Island
Units launched: 238
Sold as at 31 Dec 2021: 100%



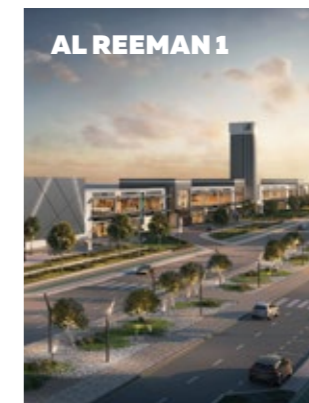
MAMSHA
Type: Beachfront residential apartments
Location: Saadiyat Island
Units launched: 461
Sold as at 31 Dec 2021: 93.5%



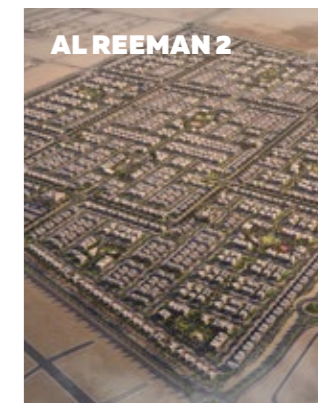
REFLECTION
Type: Mid-market units
Location: Reem Island
Units launched: 192
Sold as at 31 Dec 2021: 85.4%



AL GHADEER
Type: Villa and townhouse development
Location: Seih Sdeirah
Units launched: 707
Sold as at 31 Dec 2021: 76.2%



AL REEMAN 1
Type: Land plots
Location: Al Shamka
Units launched: 1,015
Sold as at 31 Dec 2021: 90.6%

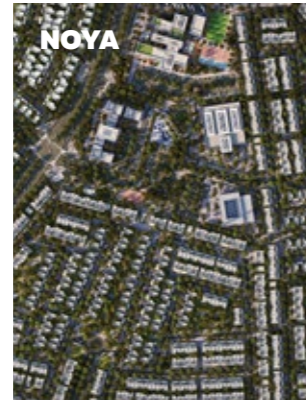


AL REEMAN 2
Type: Land plots
Location: Al Shamka
Units launched: 558
Sold as at 31 Dec 2021: 100%

UNDER CONSTRUCTION



RESERVE
Type: Land plots
Location: Saadiyat Island
Units launched: 224
Sold as at 31 Dec 2021: 99.6%



NOYA
Type: Mid-market villa and townhouse development
Location: Yas Island
Units launched: 510
Sold as at 31 Dec 2021: 99.8%



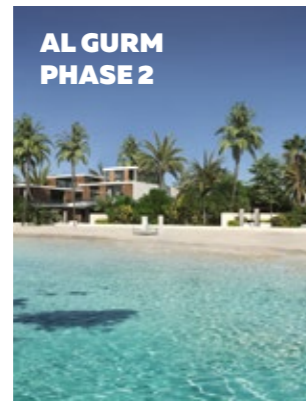
NOYA VIVA
Type: Mid-market villa and townhouse development
Location: Yas Island
Units launched: 479
Sold as at 31 Dec 2021: 99.2%



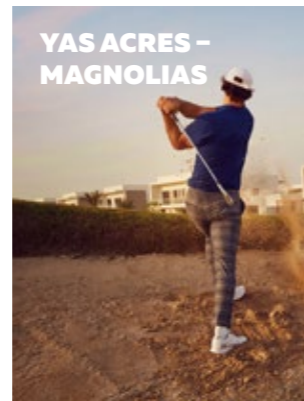
NOYA LUMA
Type: Mid-market villa and townhouse development
Location: Yas Island
Units launched: 189
Sold as at 31 Dec 2021: 100%



SAADIYAT RESERVE VILLAS
Type: Villa development
Location: Saadiyat Island
Units launched: 83
Sold as at 31 Dec 2021: 98.8%



AL GURM PHASE 2
Type: Prime land plots for villa development
Location: Al Gurm
Units launched: 71
Sold as at 31 Dec 2021: 95.8%



YAS ACRES - MAGNOLIAS
Type: Villa development
Location: Yas Island
Units launched: 312
Sold as at 31 Dec 2021: 89.1%



YAS ACRES - DHALIAS
Type: Villa and townhouse development
Location: Yas Island
Units launched: 120
Sold as at 31 Dec 2021: 71.7%

Project Management Services

2021 HIGHLIGHTS / CURRENT PROJECTS

AED 41.1bn

BACKLOG (31 DEC 2021)

INFRASTRUCTURE PROJECTS:

22,700

PLOTS (IN 19 LOCATIONS)

HOUSING PROJECTS:

9,650

VILLAS (IN 10 LOCATIONS IN ADDITION TO 1,500 APARTMENTS IN 4 LOCATIONS)

ROAD PROJECTS::

445km

(IN 6 LOCATIONS IN ADDITION TO 5 MAJOR INTERCHANGES)

OTHERS:

10

BUILDINGS IN ADDITION TO C. **500KM** OF CYCLE TRACKS

CURRENT PROJECTS PIPELINE

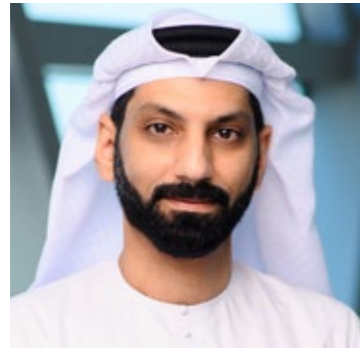
Projects submitted for approval	35 projects	AED 24bn
Projects approved and under design	24 projects	AED 11bn
Projects approved for construction	18 projects	AED 33bn

Note:

1. Details based on initial feasibilities may vary from final delivery.

Project Management Services continued

ADEL ABDULLA ALBREIKI CHIEF EXECUTIVE OFFICER OF ALDAR PROJECTS



Aldar Projects saw significant growth during the year driven by the strong ramp-up of projects and notable capital deployment to support the growth of the development fee-based business.

Our continued progress on our strategic priorities has enabled us to achieve a 105% increase in gross profit for the year with a significant total project backlog of AED 41.1 billion which supports revenue visibility going forward. The foundation of our success is built on our expertise, robust business model of delivering operational excellence while focusing on embedding sustainability and smart technology into our projects.

We are emboldened by the strong vote of confidence from the government of Abu Dhabi to develop and execute government

housing, community, and infrastructure projects in the Emirate, and the opportunity given to Aldar to contribute to high level strategic discussions on economic development and the future vision for Abu Dhabi and its real estate sector.

Earlier in the year, we were awarded AED 40 billion worth of major projects including Riyadh City, Baniyas North, and developments in the Al Ain and Al Dhafra regions. Together, the projects will deliver approximately 25,000 homes for UAE nationals as well as the associated infrastructure over the next five years. In addition, we were entrusted to provide management oversight of AED 10 billion worth of Musanada's projects in education, healthcare, infrastructure, social services, and facilities management.

Our healthy pipeline of current projects comprises infrastructure projects spanning 22,700 plots across 19 locations, housing projects with 9,650 villas spread across 10 locations, road projects amounting to 445 kilometres between major highways and intersection, and 10 buildings in addition to a 500-kilometre cycle track.

We continue to integrate sustainability through all stages of our projects, from the early stages of design through to procurement and the construction lifecycle. This includes driving operational sustainability initiatives such as the

introduction of eco-villa concepts and implementing solar energy sourcing on construction sites. We have also included sustainability elements and criteria into our technical evaluations and supplier contracts.

In addition to sustainability, an integral part of our strategy is our contribution to the UAE In-Country Value Programme, a national initiative to increase employment opportunities for UAE nationals and business opportunities for UAE-based companies. Our focus on sourcing local materials and embedding local sourcing capabilities into government projects enabled us to achieve a significant increase in our ICV score from 57% in 2017 to 72% in 2021. This places us among the 5 highest ICV scores of over 4,000 local entities in the programme. In addition, our reinvestment rate within the ICV programme has risen from 39% to 50% as we further bolster our contributions to making a continued positive impact in our local economy.

We continue to invest in the future, further improving operational excellence to grow our fee-based business and solidify our position as a strategic partner of Abu Dhabi as it continues on its journey to build a vibrant, diversified and sustainable economy.

In addition to developing its own land bank through off-plan residential development and developing assets to lease through the asset management business, the Project Management Services segment also works closely with the government of Abu Dhabi on the development and delivery of large-scale national housing and community infrastructure projects. Aldar works closely with third parties to tender for large scale projects, utilising the Company's development capabilities and procurement know how.

In 2021, pursuant to a governmental decree, Aldar was appointed as the strategic delivery partner for the Government of Abu Dhabi on key public housing and associated infrastructure. As such, Aldar was awarded an initial tranche of capital projects worth more than AED 40 billion across Riyadh City, Baniyas

North project and others in Al Ain and Al Dhafra regions, which together include more than 25,000 plots of land and villas for UAE Nationals. Aldar will also have management oversight of Musanada's projects ranging from education, healthcare, infrastructure, social services, and facilities management. Aldar's 'In-Country Value' programme ('ICV') will ensure that most contracts are prioritised towards local contractors, consultants, suppliers (including SMEs) to ensure as much as possible is reinvested into the local economy. During 2021, Aldar recirculated AED 8.8 billion to the local economy through the National In-Country Value Programme.

Projects were transferred to Aldar in Q1 2021 for direct management and oversight of Musanada. As at 31 December 2021, the government capital projects backlog stood at AED 41.1 billion. These Projects

are structured as fee-only contracts and are fully funded by the government with no capital contribution by Aldar. We expect the backlog to be replenished on an ongoing basis in-line with announcements of new capital initiatives by the government of Abu Dhabi.

This further builds on the legacy project management business awarded to Aldar in 2019. Aldar was awarded three major development management projects worth AED 5 billion to develop a national housing scheme, a new media and entertainment free-zone on Yas Island and key remaining infrastructure works on Saadiyat Island. The first two projects were based on fixed-price contracts remuneration structure where Aldar will recognise the full revenue and costs associated with the development whilst the infrastructure project will be recognised on a fee-only basis.

Date Awarded	2021	2019
Counterparty	Abu Dhabi Executive Office	Government of Abu Dhabi
Projects	<ul style="list-style-type: none"> Riyadh City, Baniyas North and other Musanada 	<ul style="list-style-type: none"> Al Falah housing, media zone, Saadiyat infrastructure
Value (AEDbn)	<ul style="list-style-type: none"> AED 40bn+ 	<ul style="list-style-type: none"> AED 5bn
Contract type	<ul style="list-style-type: none"> Fee-only contracts 	<ul style="list-style-type: none"> Fixed-price contracts (Al Falah housing and media zone) Fee-only (Saadiyat infra)
Fee	<ul style="list-style-type: none"> c. 5% (fee-only) 	<ul style="list-style-type: none"> +10-15% (fixed-price) c. 5% (fee-only)
Margin	<ul style="list-style-type: none"> +70% (fee-only) 	<ul style="list-style-type: none"> +10-15% (fixed-price) +80% (fee-only)

Note

- Differing accounting treatments between fixed-price and fee-only contracts.
 - Fixed-price contracts: full project P&L reflected in financial accounts.
 - Fee-only contracts: only fee income and associated costs reflected in financial accounts.
 - Following ramp-up of projects in 2021, gross profit run-rate projected from 2022 onwards.

FRAMEWORK AGREEMENT WITH THE GOVERNMENT OF ABU DHABI

Contract terms	<ul style="list-style-type: none"> Fee-only contracts at c. 5% of project value. Projects fully funded by government. No capital outlay or working capital contribution by Aldar. Agreement is renewable at the end of the term, subject to the achievement of market standard performance criteria.
Sustainability	<ul style="list-style-type: none"> Projects support Government of Abu Dhabi's vision of promoting liveability and quality of life in local communities. Aldar to implement sustainability goals in areas of environmental standards, procurement and worker welfare. Aldar's 'In-Country Value' (ICV) programme aims to deepen local contractor and consultant base.

FOR A BETTER FUTURE

WE COMPLETED OUR FIRST ENTRY INTO AN INTERNATIONAL MARKET BY LEADING A CONSORTIUM IN THE ACQUISITION OF A MAJORITY STAKE IN SODIC, A LEADING REAL ESTATE DEVELOPMENT COMPANY IN EGYPT

The acquisition is part of our overall expansion strategy into other geographical markets.

The business continues to perform well, and through the Aldar-led consortium, we are pursuing our objective to advance SODIC's position as a leading national developer by scale and reputation by growing its portfolio of mixed-use residential communities in Greater Cairo, the North Coast and other major markets.

AED 1.5 billion

Acquisition of SODIC.

KEY FACTS

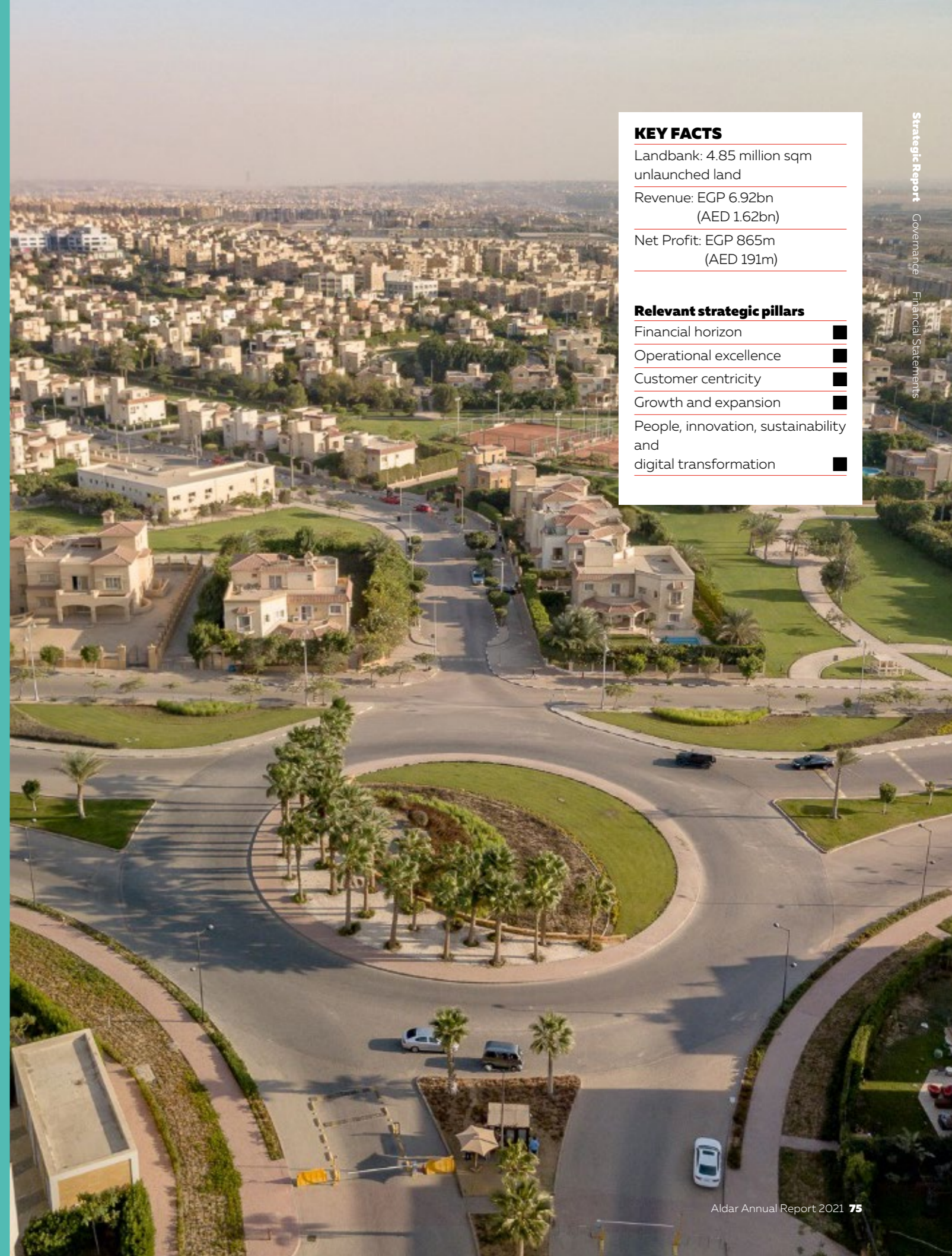
Landbank: 4.85 million sqm
unlaunched land

Revenue: EGP 6.92bn
(AED 1.62bn)

Net Profit: EGP 865m
(AED 191m)

Relevant strategic pillars

- Financial horizon
- Operational excellence
- Customer centricity
- Growth and expansion
- People, innovation, sustainability and digital transformation



FOR A BETTER FUTURE

WE ACHIEVED A RECORD YEAR IN DEVELOPMENT SALES UNDERPINNED BY OUR DEEP UNDERSTANDING OF CUSTOMER NEEDS, THE LOCAL MARKET DYNAMICS, AND OUR PREMIER POSITIONING IN ABU DHABI

Our current development pipeline is 92% sold, including multiple phases of Noya and Yas Acres, Al Gurm and the third phase of Saadiyat Reserve.

With the fourth quarter seeing AED 1.1 billion in sales, this is the sixth consecutive quarter in which we exceeded AED 1 billion in residential sales.

Our high-quality and diverse product mix continue to appeal to an increasingly broad customer base particularly the overseas and resident expats.

AED 7.2 billion

Record yearly development sales.

KEY FACTS

Development sales (FY 2021)
– AED 7.2bn

Development sales (Q4 2021)
– AED 1.1bn

Revenue backlog – AED 6.0bn

Relevant strategic pillars

Financial horizon

Operational excellence

Customer centricity

Growth and expansion

People, innovation, sustainability and digital transformation



ALDAR INVESTMENT

ALDAR INVESTMENT STRUCTURE

ALDAR INVESTMENT IS THE COMPANY'S CORE ASSET MANAGEMENT BUSINESS WITH OVER AED 21 BILLION ASSETS UNDER MANAGEMENT. IT IS DIVIDED INTO THE FOLLOWING SEGMENTS:

INVESTMENT PROPERTIES

which comprises prime real estate in the retail, residential and commercial segments across Abu Dhabi.

HOSPITALITY AND LEISURE

which owns a portfolio of hotel and leisure assets principally located on Yas Island and Saadiyat Island.

ALDAR EDUCATION

which is the leading private education provider in Abu Dhabi.

PRINCIPAL INVESTMENTS

which includes Provis, the property management business, Khidmah, the facilities management business, and Pivot, a construction services business.



Read more on page 81.



Read more on page 89.



Read more on page 90.



Read more on page 92.

ALDAR INVESTMENT: IN NUMBERS

AED 3.28bn
RECURRING REVENUE¹

2.0m sqm
GLA

AED 1.72bn
RECURRING NET OPERATING INCOME¹

3.6 years
PORTFOLIO WAULT (INVESTMENT PROPERTIES)

80
ASSETS ACROSS FOUR SECTORS

93%
OCCUPANCY (INVESTMENT PROPERTIES)

AED +21bn
GAV

38.5%
GROSS DEBT LTV

1. Excludes Pivot

JASSEM BUSAIBE
CHIEF EXECUTIVE OFFICER
OF ALDAR INVESTMENT



2021 was a transformational year for Aldar Investment highlighting the robustness of our platform, the strength of our portfolio and established track record of high-quality asset management.

The business produced a solid net operating income of AED 1.72 billion¹, representing an 11% increase from the prior year. Aldar Investment's NOI increased 11% year-on-year to reach AED 1.72 billion, mainly driven by strong performance in the retail portfolio, substantial recovery in the hospitality and leisure business, and increased student enrollments in the education business. The strong retail performance was driven by Yas Mall, with the introduction of new and unique concepts and offerings as part of its successful repositioning and redevelopment. In addition, occupancy at the community retail assets saw an increase of 17% from

last year to reach 95%, mainly due to the ramp up in Mamsha Al Saadiyat retail.

Our successful redevelopment of Yas Mall further bolstered the retail segment's performance. In transforming the space and enhancing the consumer experience through the delivery of high-impact retail and F&B offerings, our flagship retail asset achieved near full occupancy. Our commercial portfolio also registered solid performance with steady leasing growth from our tenant base, while our hospitality and leisure business continues to recover on the back of robust demand as tourism gained momentum and travel restrictions continued to ease.

Meanwhile, Aldar Education, as well as our Principal Investments business continue to be significant contributors to our growth. Aldar Education achieved a record increase in enrolments this year, further cementing its position as the leading provider of private education in Abu Dhabi.

We continue to assess opportunities to deploy further capital into new geographies and property types as part of our overarching growth strategy. We have seen this strategy in action through the completion of our first investments in the Ras Al Khaimah market with the acquisition of dominant retail and hospitality assets. These transactions are very much in line with our plans to

leverage Aldar Investment's platform to grow, diversify further, and create significant value for our shareholders.

Diversifying our investor base remains a key tenet of our growth strategy and the partnership formed through Apollo's strategic investment in Aldar symbolises a noteworthy step in our next phase of accelerated and transformational growth. The strategic and long-term outlook of Apollo's investment endorses the fundamentals of Abu Dhabi's real estate market as well as Aldar's superior asset management capabilities. As a result of this transaction, we will look to accelerate the growth of our platform through both yield and value accretive investment opportunities and acquisitions.

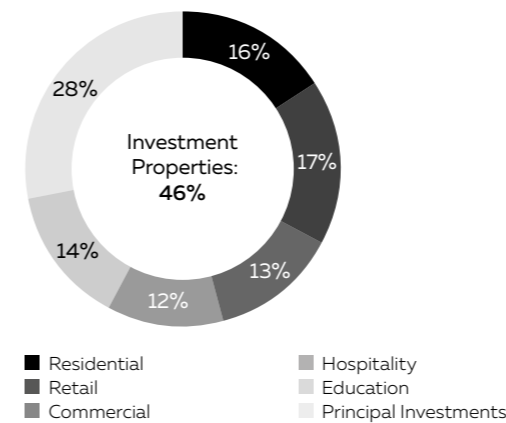
Our AED 21 billion portfolio of prime income-generating property assets will continue to be a key engine of growth and earnings for the Aldar platform as we look to build on our market-leading position as the most efficient platform for real estate ownership in the region. With significant capital to deploy over 2022, our ambitious growth strategy and our best-in-class asset management capabilities, we are strongly placed to deliver significant value across our platform.

INVESTMENT PROPERTIES

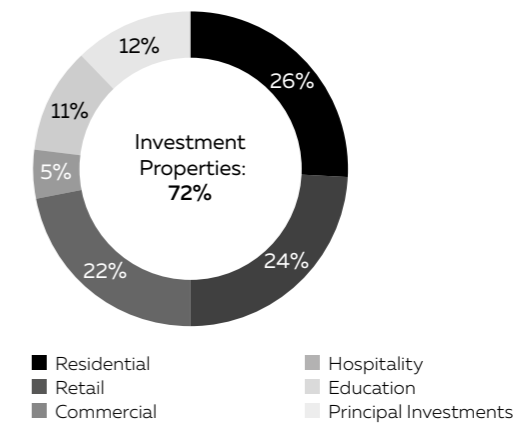
The majority of the investment properties were carved out into Aldar Investment Properties (AIP), an entity established in 2018 as a limited liability company (LLC) and is 100% owned by Aldar Properties PJSC. AIP owns a portfolio of prime retail, residential and commercial assets and is the most efficient platform for real estate ownership in the region. It is a portfolio of diversified income yielding real estate

assets located across prime investment zones in Abu Dhabi. AIP has a standalone credit rating of Baa1, one notch higher than the parent's credit rating "Aldar Properties PJSC" of Baa2, and the highest credit rating for a non-government corporate in the region. As a result, Aldar can efficiently raise long-term debt at a lower cost than traditional structures under AIP.

2021 FY REVENUE SPLIT BY SECTOR



2021 FY NOI SPLIT BY SECTOR



1. Excluding Pivot

RESIDENTIAL Highlights

851,568 sqm
ACROSS 13 ASSETS (7,295 UNITS)

80% margin
NET OPERATING INCOME

3.4 years
WAULT

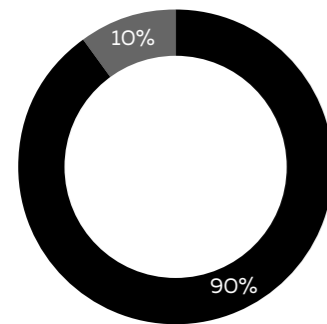
57%
BULK LEASES

AED 471m
NET OPERATING INCOME

93%
OCCUPANCY

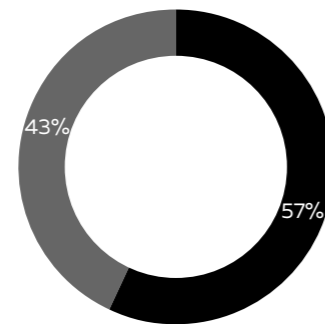
Residential asset breakdown

UNIT TYPE



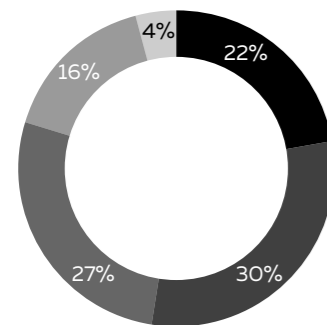
■ Apartments ■ Villas

LEASE TYPE SPLIT



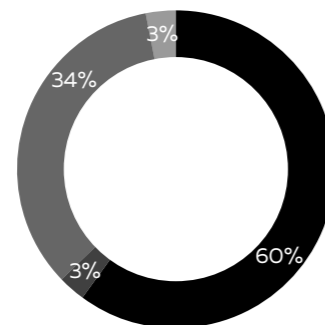
■ Bulk ■ Individual

UNIT TYPE SPLIT



■ Studio ■ 3-bed
■ 1-bed ■ 4-bed+
■ 2-bed

LOCATION



■ Abu Dhabi mainland ■ Reem Island
■ Abu Dhabi Island ■ Other

The residential asset management portfolio includes 7,295 residential units across 13 high-quality developments that have excellent amenities and facilities. All the residential units are located within Abu Dhabi, with a concentration of units positioned between Abu Dhabi mainland and Reem Island.

The residential units appeal to a broad demographic spectrum offering studio apartments to large four and four-plus bedroom villas. In addition to the residential leasing operations, there is a strata monetisation programme, whereby residential units which are in buildings not wholly owned by Aldar are being opportunistically sold. In 2021, Aldar sold 111 units for AED 156 million, at an average 9.8% premium to book value.

Residential lease terms and duration

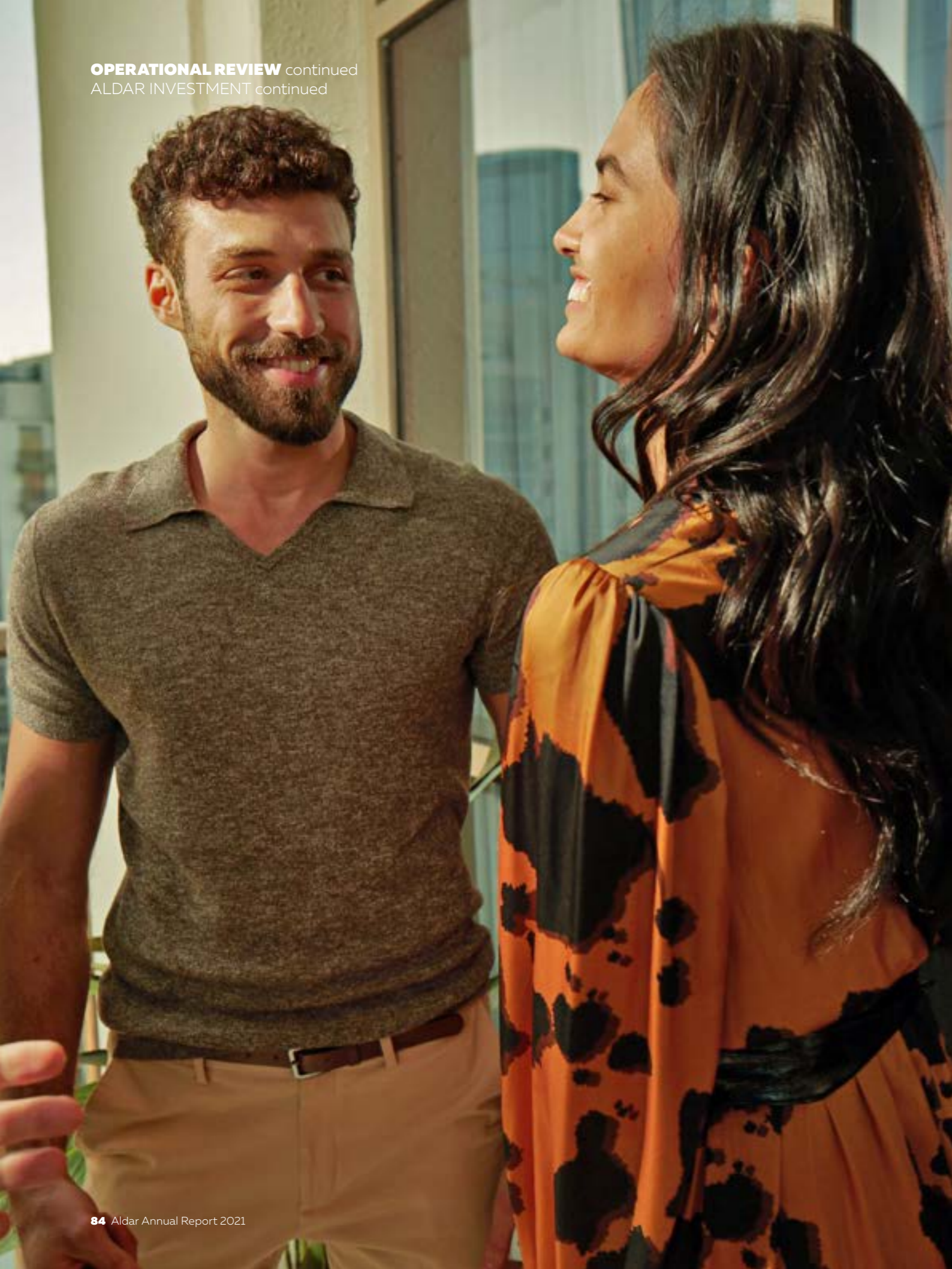
WAULT stands at 3.4 years as of 31 December 2021 and is supported by having more than half (57%) of its residential units leased on a bulk, long-term basis. Typical terms for individual tenants are on rolling 12-months leases; for bulk tenants, these leases typically range from three to 30 years.

Top residential tenants

Tenant	% of Rent
Cleveland Clinic Abu Dhabi LLC	13.5%
Etihad Airways	10.5%
Defense Conseil International Services	8.0%
Aldar Academies LLC	5.5%
Aldar Hotels & Hospitality	4.3%

New Projects	Asset type	Overview	Planned completion
Grove Retail	Retail	Grove Retail (part of Saadiyat Grove) is surrounded by three iconic museums offering residents and visitors a dynamic place to visit, explore and shop. Grove Retail will be divided into three districts namely luxury, urban lifestyle and entertainment	H2 2024
Noya British School	Commercial/Education	Noya, Yas Island will be Aldar Education's first affordable segment school to be rolled out under the Aldar Schools umbrella. It has an anticipated capacity of around 2,200 students in grades FS2 to Year 13	Q4 2023
Cranleigh Extension	Commercial/Education	Cranleigh Abu Dhabi to expand across all grades to reach 2,500 capacity – via construction on a new plot to accommodate 920 seats for FS1 to Yr3	Q4 2024
Yasmina Brook 2	Commercial/Education	Yasmina Academy to expand current capacity to cater for c. 4,400 students by 2025	Q4 2025





RETAIL
Retail highlights

491,301 sqm

ACROSS 31 ASSETS

4.0 years

WAULT

68%

NET OPERATING INCOME
MARGIN

93%

OCCUPANCY

21m

FOOT FALL

Top retail tenants

Tenant	% of Rent
Dareen International	9.3%
Majid Al Futtaim Group	8.5%
Al Futtaim Group	6.2%
Land Mark Group	5.1%
Allied Enterprises	4.4%

Retail asset breakdown

Aldar's retail portfolio includes 491,301 sqm gross leasable area (GLA) across 31 assets within the Abu Dhabi metropolitan area and Al Ain.

The retail strategy is split between 'community retail', which offers residents key amenities such as supermarkets and restaurants, and 'destination retail', which provides a much broader retail, entertainment and leisure offering.

Community retail predominantly includes on-site convenience retail, based around many of Aldar's residential communities. Destination retail includes Aldar's two largest retail assets, Yas Mall and Al Jimi Mall.

Retail lease terms and duration

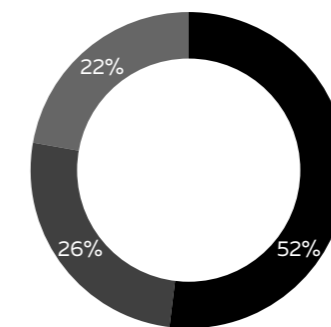
WAULT's duration stands at 4 years as of 31 December 2021. Typical lease terms for line shops and anchor tenants range from three-to-five years to seven-to-10 years respectively.

Yas Mall

Yas Mall is the flagship asset in the retail and asset management portfolio. Opened in November 2014, Yas Mall is located in the centre of Yas Island, within close proximity to key leisure and entertainment offerings on the island, such as Ferrari World and Warner Bros.

Yas Mall is currently undergoing an AED 500 million renovation intended to repurpose the mall to improve and transform the retail experience and enhance the customer journey. Yas Mall achieved 97% occupancy at the end of December, up 16% from a year earlier, with the introduction of new and unique concepts and offerings as part of the successful mall repositioning and redevelopment. In addition, occupancy at the community retail assets saw an increase of 17% from last year to reach 95%, mainly due to the ramp-up in Mamsha Al Saadiyat retail.

LOCATION SPLIT



■ Yas Island
■ Al Ain
■ Communities

COMMERCIAL
Commercial highlights

318,074 sqm
GLA ACROSS 15 ASSETS

3.4 years
WAULT

84%
GROSS PROFIT MARGINS

71%
LEASES WITH THE
GOVERNMENT OF ABU DHABI
AND GOVERNMENT-RELATED
ENTITIES

93%
OCCUPANCY

Top commercial tenants

Tenant	% of Rent
Department of Economic Development	16.9%
Department of Municipalities and Transport	8.3%
National Health Insurance Company-Daman-PJSC	7.4%
Mubadala Development Company	6.1%
Digital 14	5.8%

Commercial asset breakdown

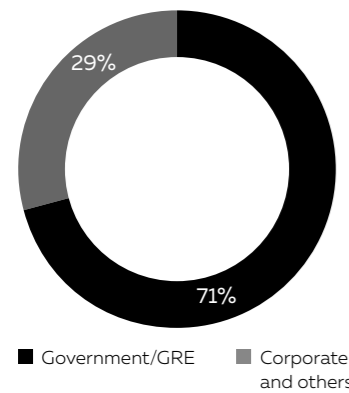
Our office portfolio includes 318,074 sqm GLA, predominantly focused on Grade A office spaces within Abu Dhabi Island.

The office portfolio is predominantly leased on a long-term basis to government and government-related entities, which is representative of the Abu Dhabi commercial office tenant market. Aldar's commercial asset portfolio strategy is to maintain high-quality commercial space and build long-term relationships with tenants.

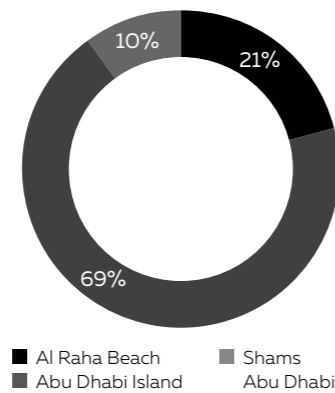
Commercial office lease terms and duration

WAULT stands at 3.4 years as of 31 December 2021. This is supported by the fact that 71% of the commercial space is leased on long term contracts to government and government-related entities. Typical lease structures range from 3 to 5 or 5 to 10 years for small and large entities.

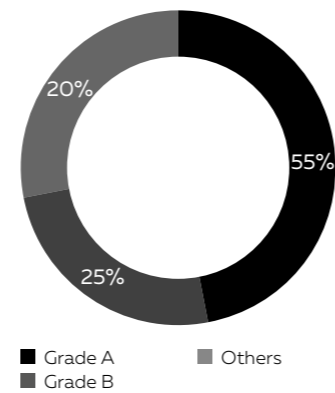
TENANT SPLIT



LOCATION SPLIT



OFFICE TYPE SPLIT





HOSPITALITY & LEISURE
Hospitality & Leisure highlights

2,900
KEYS ACROSS 10 HOTELS
INCLUDING FOUR LEISURE
ASSETS THREE GOLF COURSES
AND A BEACH CLUB

8.6%
GROSS PROFIT MARGINS

78%
KEYS LOCATED ON YAS ISLAND

55%
OCCUPANCY IN 2021
BOTH W AND YAS PLAZA
HOTELS HAVE HOSTED SEVERAL
EVENTS: F1 AND UFC

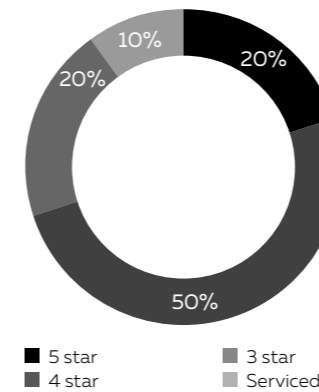
Hospitality asset breakdown
Our hotels' portfolio includes 2,900 keys across 10 hotels and serviced apartments ranging from 3, 4 and 5-stars across Abu Dhabi.

Some 78% of our hotel keys are located on Yas Island. It remains our core strategy to focus on continued activation of the island through major events and promotion, working alongside the relevant partners.

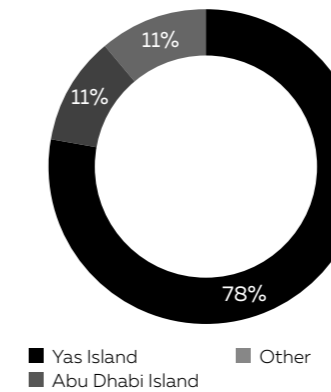
Five hotels are managed by reputable international operators. Five other hotels and serviced apartments on Yas Island are operated through franchise agreements. We have established a hotel management platform with hotel management experts to oversee these franchised run operations.

Hospitality lease terms and duration
Aldar's agreements with its hotel management companies or operators have initial terms ranging from 15 to 20 years. They typically can be extended either at the management company's or operator's option or automatically, subject to notice to terminate.

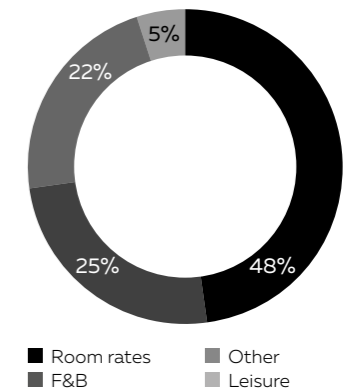
HOTEL TYPE BY KEYS



LOCATION SPLIT BY KEYS



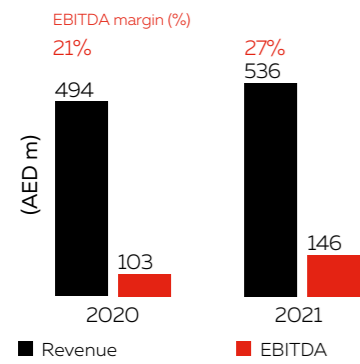
HOSPITALITY REVENUE SPLIT



EDUCATION

Aldar Education LLC is a wholly owned subsidiary of Aldar. It is a leading operator and provider of private education in Abu Dhabi with the largest network of schools, delivering English and American curriculums adapted for the UAE. It operates four ADNOC schools, seven charter schools in addition to eight Aldar Academy schools (including Cranleigh) and a nursery. The division reported a 42% increase in full-year EBITDA to AED 146 million, with fast-growing student enrolments driving 2018-2021 revenue.

Over AED 1 billion committed to investments to diversify its portfolio of schools and increase the number of students to more than 40,000 by the 2024-2025 academic year.



- 20** SCHOOLS
- 26k+** STUDENTS ACROSS OUR NETWORK OF SCHOOLS
- 4** LEADING CURRICULA
- 3k+** EDUCATORS FROM 100+ NATIONALITIES
- 50%** OF GRADUATES GO ONTO THE WORLDS TOP 100 UNIVERSITIES
- 100+** EXTRA CURRICULAR ACTIVITIES





PRINCIPAL INVESTMENTS

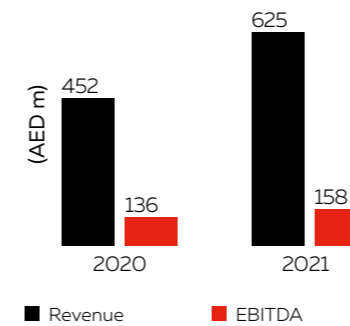
Aldar also owns a collection of real estate services businesses under the Principal Investments segment. It includes Provis, the property management business, Khidmah, the facilities management business, and Pivot, a construction services business.

Provis undertakes sales and leasing, property management, consultancy services and valuation advisory amongst others – manages more than 55,000 residential units; 318k sqm of commercial assets and over 490k sqm of retail GLA.

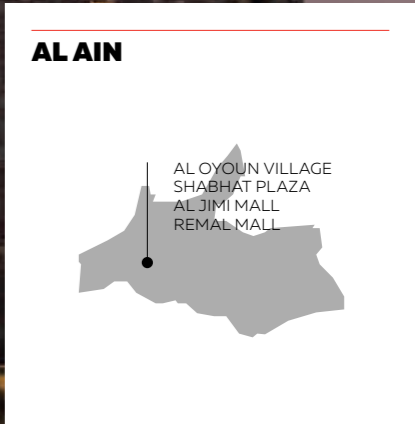
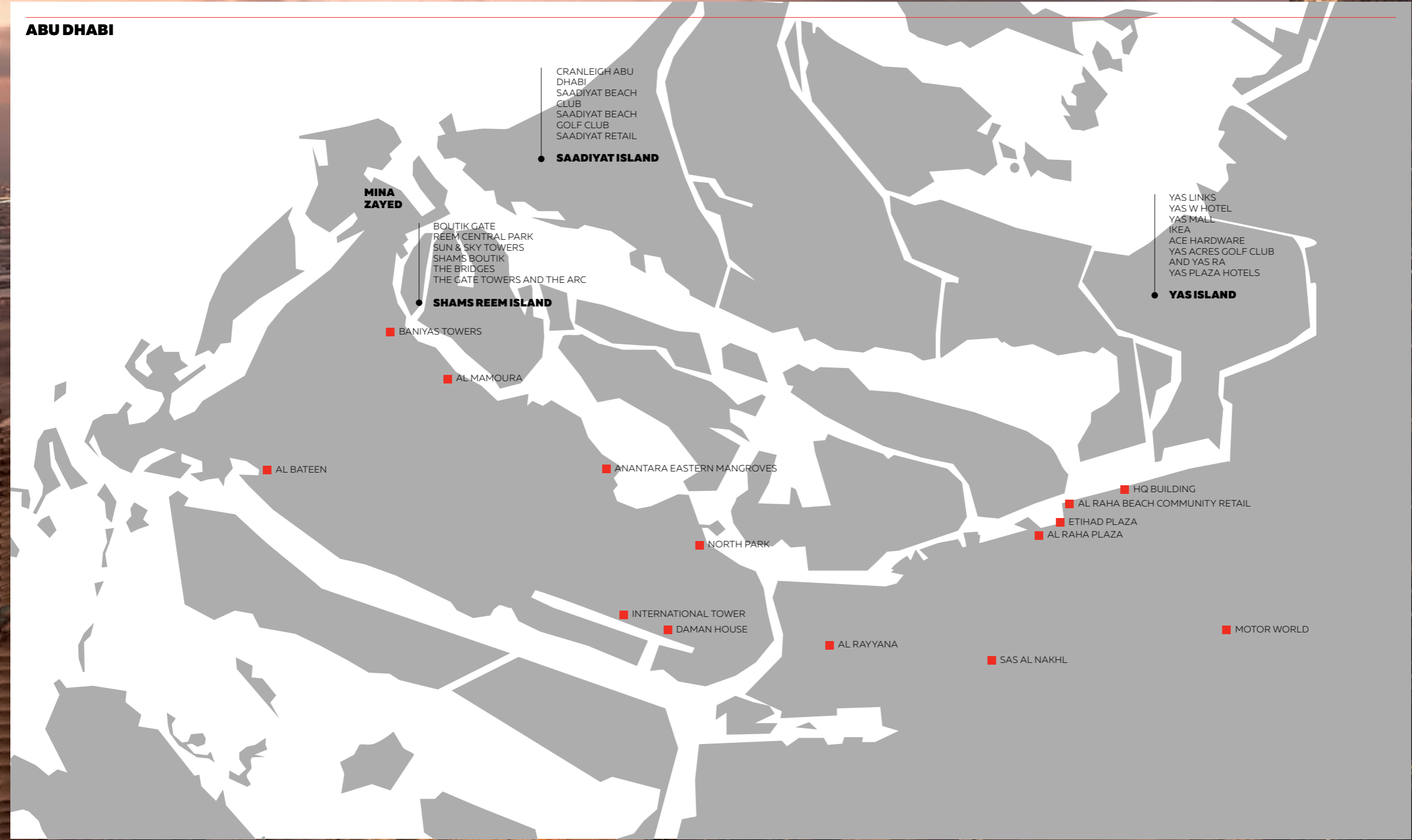
Khidmah is a full-service facility management solutions provider focused on domestic, commercial and retail facility management solutions with over 3,200 team members across the UAE and KSA.

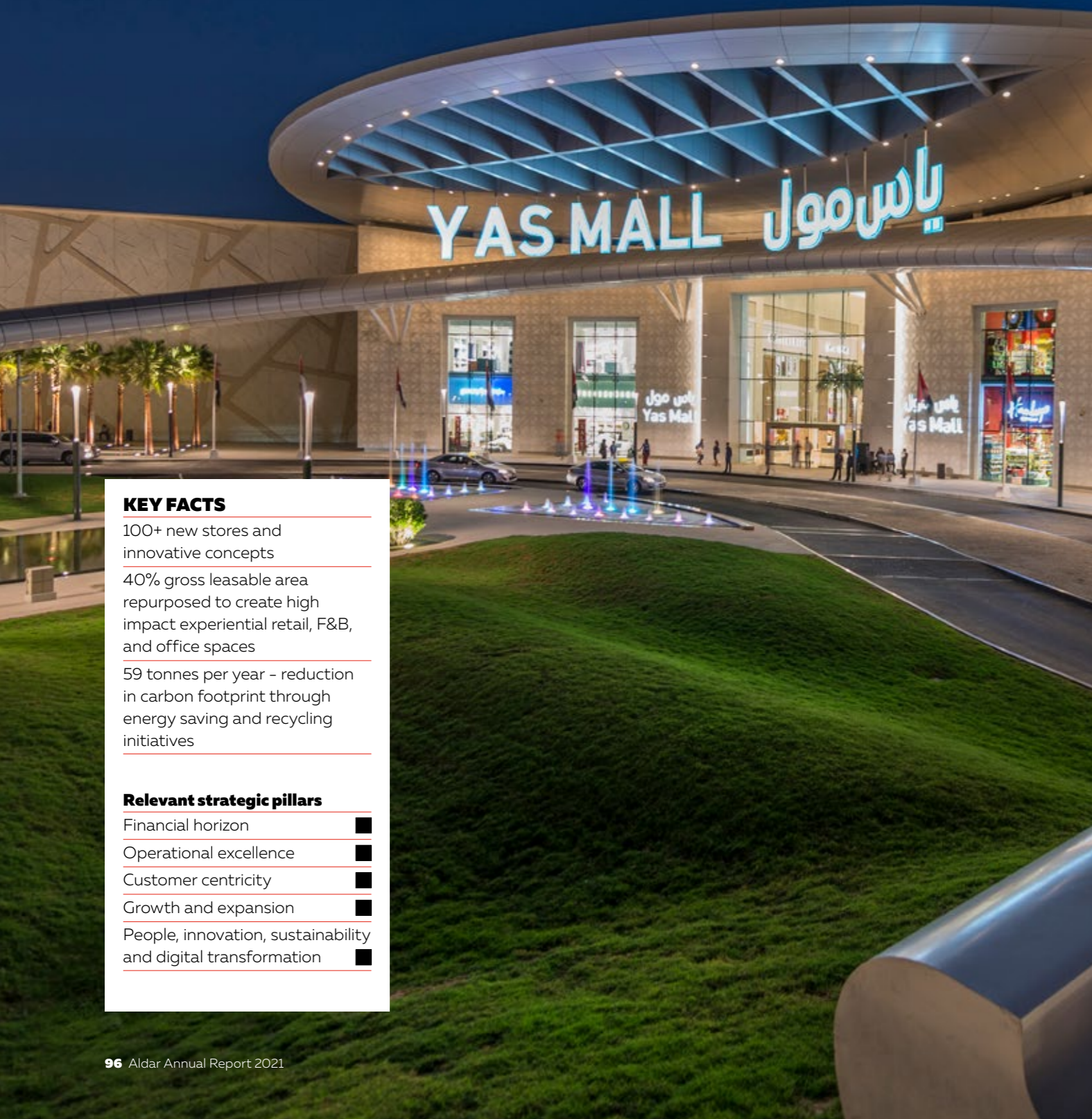
The Principal Investments business enjoyed a 62% like-for-like increase in EBITDA for the year, excluding Pivot, reaching AED 58.0 million. This was largely driven by Aldar’s property management company Provis following a significant increase in new contracts.

PRINCIPAL INVESTMENTS
(EXCL. PIVOT)



Aldar has created some of the most iconic development projects and destinations across Abu Dhabi.





KEY FACTS

- 100+ new stores and innovative concepts
- 40% gross leasable area repurposed to create high impact experiential retail, F&B, and office spaces
- 59 tonnes per year - reduction in carbon footprint through energy saving and recycling initiatives

Relevant strategic pillars

- Financial horizon ■
- Operational excellence ■
- Customer centricity ■
- Growth and expansion ■
- People, innovation, sustainability and digital transformation ■

FOR A BETTER FUTURE

WE LAUNCHED AN AED 500 MILLION REDEVELOPMENT PROGRAMME FOR YAS MALL, REINFORCING ITS POSITION AS THE CENTREPIECE OF YAS ISLAND

Yas Mall achieved 97% occupancy with the introduction of new and unique concepts and offerings as part of the successful redevelopment programme to improve and transform the retail experience for customers.

The major investment enhanced the entire Yas Mall customer journey and experience at every touchpoint from arrival to departure by redesigning its spaces, integrating innovative retail concepts, and using state-of-the-art technologies.

AED 500 million

Investment into Yas Mall redevelopment programme.



KEY FACTS

Aldar Education currently owns nine schools under Aldar Academies and Cranleigh Abu Dhabi, and manages a further 11 schools.

Student Capacity: 26,000 student enrolments in 2021 with an aim to reach over 40,000 enrolments by Academic Year 24/25.

Relevant strategic pillars

- Financial horizon
- Operational excellence
- Customer centricity
- Growth and expansion
- People, innovation, sustainability and digital transformation

FOR A BETTER FUTURE

WE ARE INVESTING AED 1 BILLION INTO ALDAR EDUCATION TO DIVERSIFY OUR PORTFOLIO AND EXPAND ITS OFFERING TO WIDEN THE CHOICE OF QUALITY EDUCATION FOR STUDENTS IN ABU DHABI

Over the next three years, we will be focused on enhancing Aldar Education's offering in three main locations in Abu Dhabi: Khalifa City; Saadiyat Island; and Yas Island.

In Khalifa City, we will acquire Al Shohub Private School, and expand and relocate Al Yasmina Academy. On Yas Island, we will deliver a new school within the Noya community located in Yas North. On Saadiyat Island, we will expand the award-winning and 'outstanding' rated Cranleigh Abu Dhabi, which will increase the school's capacity and facilities to include the latest innovations in immersive learning.

AED 1 billion

Investment into Aldar Education

RISK MANAGEMENT

Aldar has an established Enterprise Risk Management (ERM) function to ensure effective management of all risks that have the potential to hinder the Company from achieving its strategic objectives.

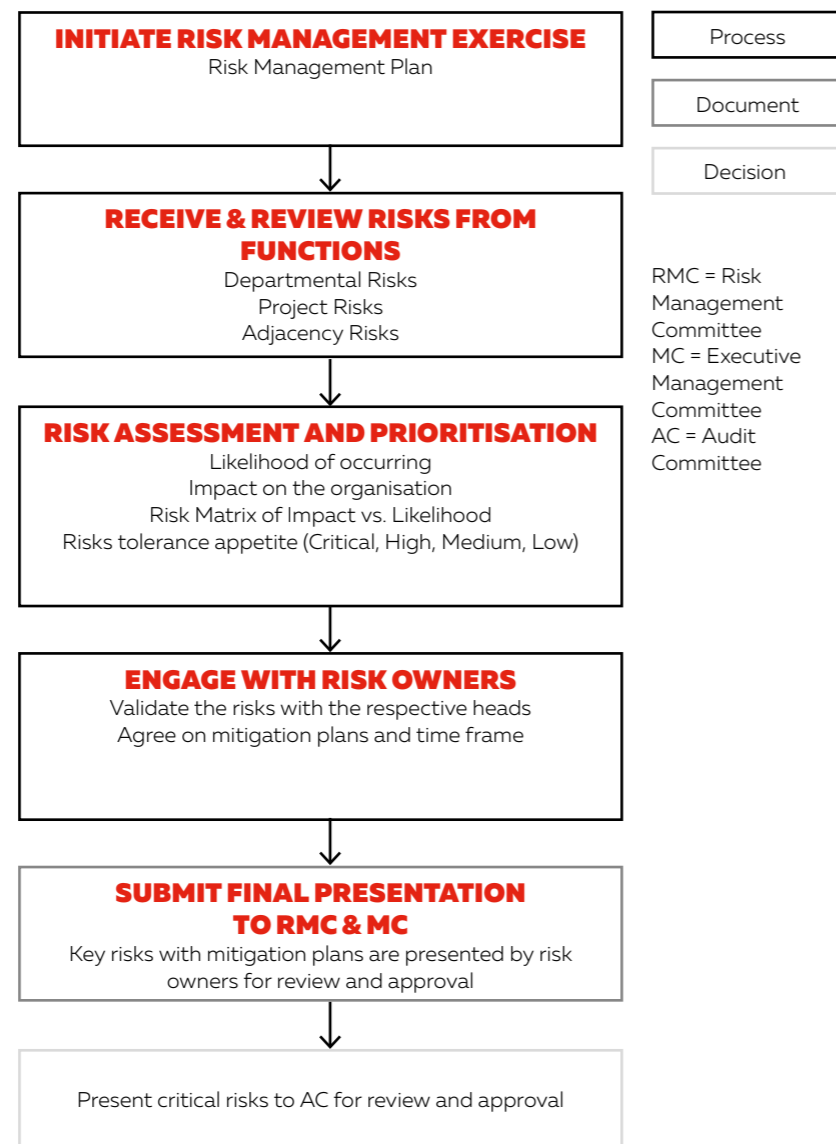
A dedicated ERM team is responsible for helping the Company's business units to identify, assess and put in place control plans for existing and emerging risks. It regularly conducts comprehensive reviews of best practices and benchmarks against other companies in the market with robust ERM activities.

Primarily, a bottom-up approach is used for business unit-specific risks, while enterprise-wide risks rely on a top-down approach.

Each risk is identified and assessed through an impact and likelihood matrix to prioritise its importance. The identified risks with their relevant mitigation plans are escalated to different hierarchical committees according to pre-defined criteria and mandates. The ERM team continuously monitors, liaises and follows up with risk owners for updates and progress on mitigation plans until the risk matches the agreed risk appetite.

Aldar has a Board-approved ERM Charter and Policy & Procedure documents in place, which are periodically reviewed and updated. The meetings of the various mandated committees are convened periodically, which has helped to improve the function across the Company. Aldar's Board and management firmly believe in continuous improvement and will persist to build on this solid foundation to strengthen risk management.

RISK MANAGEMENT PROCEDURE



Aldar's Risk Management Framework is highly linked and adapted to its business model, using the widely-accepted COSO enterprise risk management framework as its foundation.

Risks are classified into the following four categories:

- **Strategic:** High-level risks that can have a direct impact on the Company's strategic objectives.
- **Operational:** Risks related to performance, customers, and the effective and efficient use of resources.
- **Financial:** Risks that can have a direct impact on the Company's earnings and cash flow.
- **Reporting & Compliance:** Risks related to the reliability of reporting and compliance with applicable real estate-related laws and regulations.

THREE LEVEL COMMITTEE STRUCTURE

Aldar's ERM Charter specifies three levels of reporting. The business units, through the ERM team, raise the risks and updates to be considered by the Risk Management Committee according to certain defined thresholds. These risks are presented to the Executive Management Committee and thereafter to the Audit Committee in line with risk level hierarchy. The ERM team continuously liaise with the risk owners and periodically report to relevant committees.

The periodic reporting mechanism as per risk level hierarchy is as follows:

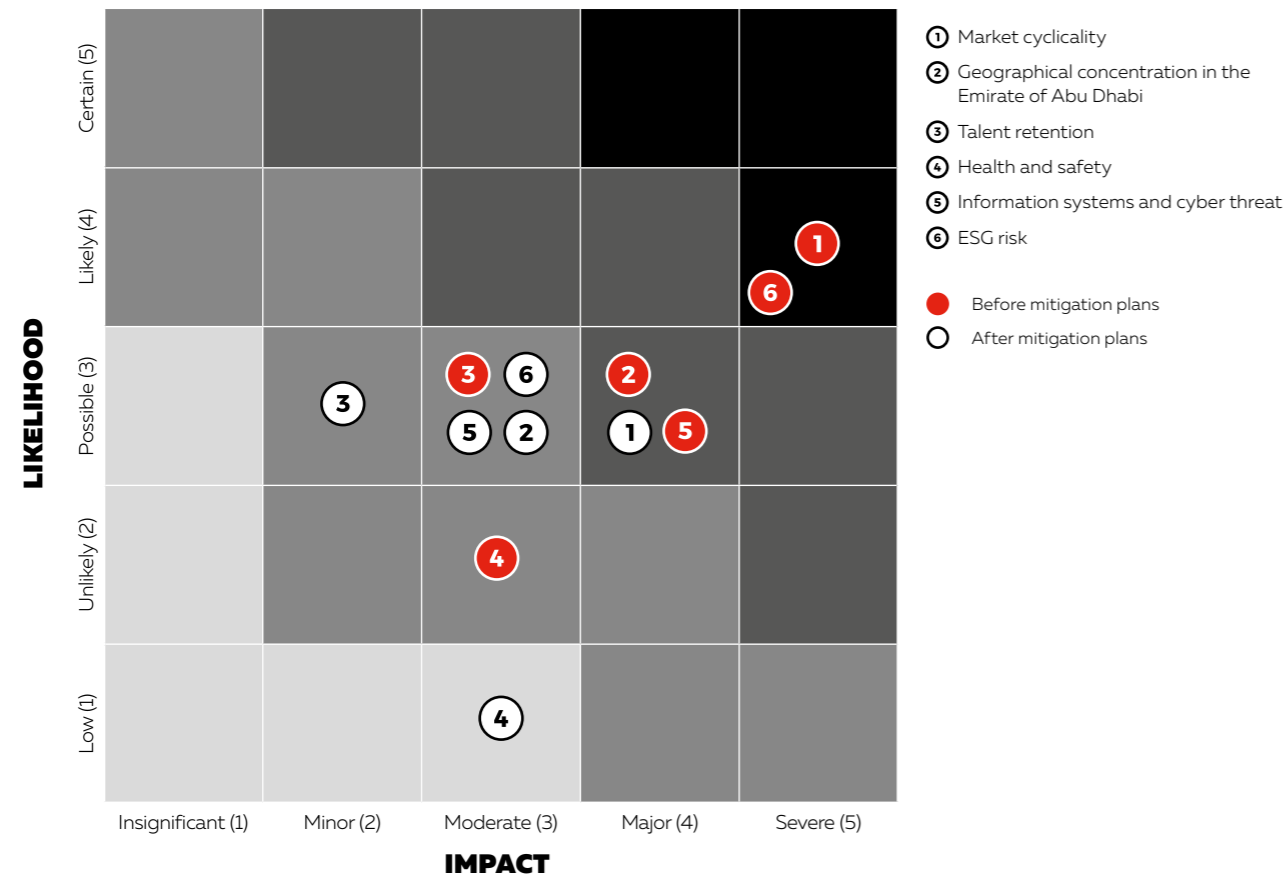
LEVEL C	Critical Risks Report to Audit Committee
LEVEL B	High & Critical Risks Report to Executive Management Committee
LEVEL A	All Levels of Risks Report to Risk Management Committee

RISK MANAGEMENT FRAMEWORK



PRINCIPAL RISKS

PRINCIPAL RISKS HEAT MAP



Risk Level	Score	Mitigation Plan Requirement	Recommended Actions
Critical	20 to 25	<ul style="list-style-type: none"> Mandatory for all risks 	<ul style="list-style-type: none"> Treat (Reduce) Transfer Terminate
High	10 to 16		
Medium	4 to 9	<ul style="list-style-type: none"> Risks rated >8 are assessed on a case-by-case basis Not mandatory for risks rated <6 as risks can be tolerated 	<ul style="list-style-type: none"> Tolerate (Accept)
Low	1 to 3	<ul style="list-style-type: none"> Not mandatory as risks can be tolerated 	

The Risk	Risk Analysis	Treatment Plan
----------	---------------	----------------

Strategic: High-level risks that can have a direct impact on the Company's strategic objectives.

1. Market cyclicality

NO CHANGE

- Ability for Aldar to effectively respond to local and regional changing market conditions.

Consequences

- Potential negative impact on launching of new developments and performance of asset portfolio.
- Potential negative impact on sales revenue, cash flows, asset valuations, debt / capital and credit rating.

The Board mitigates market risk through the review of the Group's strategy on a regular basis and discussions are held to ensure the strategy is still appropriate or if it needs updating.

The Company is also actively implementing the risk treatment plan:

Development Projects

- Ensure accurate and appropriate business plans are in place to anticipate customer preferences.
- Launch projects in phases to reduce cashflow exposure.
- Product diversification.
- Enhanced market readiness to capitalise on any opportunity via infrastructure enabled lands.
- Expanding fee-based projects portfolio.
- Actively pursuing geographical expansion.

Asset Portfolio

- Combined focus on tenant selection and trading performance e.g., proactive leasing, targeted marketing initiatives and asset upgrading.
- Full merchandising strategy in retail assets; zoning and category optimisation, sustainable pricing and innovative re-purposing.
- Continued focus on corporate deals to provide long term revenue visibility and de-risk residential portfolio revenue streams.
- Sustainability initiatives leading to cost saving through energy audit and energy saving initiatives.
- Product diversification.
- Enhancing customer experience through cross-selling across asset classes and introduction of loyalty programmes.

2. Geographical concentration in the Emirates of Abu Dhabi

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REDUCED

- Geographical concentration from only operating in Abu Dhabi.

Consequences

- Exposure to Abu Dhabi as a single market will potentially constrain Aldar's ability to grow and achieve its strategic objectives to deliver sustainable returns for shareholders.

The company realises the inherent risk of geographical concentration of operations and is steadily mitigating it by:

- Entering joint ventures within the wider UAE and in GCC markets.
- Developing regional and international sales and marketing capability to expand investor pool.
- Actively pursuing geographical expansion.

PRINCIPAL RISKS continued

The Risk	Risk Analysis	Treatment Plan
Operational: Risks related to performance, customers, and the effective and efficient use of resources.		
3. Talent retention NO CHANGE	<ul style="list-style-type: none"> Ability to attract and retain talented pool of employees with the right skills and experience. <p>Consequences</p> <ul style="list-style-type: none"> Potentially a negative impact on Company's ability to deliver the business plan. 	People and Performance strategy and treatment plan encompasses: <ul style="list-style-type: none"> Long term incentive programme to assist retention of critical personnel. Succession planning and career path programmes for high potential personnel. Organisational wide Employee Satisfaction Survey conducted annually to identify areas for improvements. Exit interviews to identify critical areas of improvement for People and Performance policy and practices. Proactively identifying employee's satisfaction parameter by conducting annual survey "Great place to work" to identify potential gaps – accredited Great Place to Work for 2020–2021.
4. Health and safety NO CHANGE	<ul style="list-style-type: none"> Serious OSH (Occupational Safety and Health) incident. <p>Consequences</p> <ul style="list-style-type: none"> Potentially material impact on Company's vision and brand locally and internationally with consequential financial implication due to project delays, civil suit and fines. 	The Company has a comprehensive and integrated health and safety strategy and implementation plan: <ul style="list-style-type: none"> ALDAR Projects has a comprehensive OSH Management System that is implemented on all projects along with specific OSH/EHS project plan. All PMCs, consultants and principal contractors must register with OSHAD (Abu Dhabi Occupational Safety and Health Centre), comply with Aldar OSH Policy and abide by their standards, conduct Hazard Identification and Risk Assessment to reduce the risk of incident. Produce monthly OSH statistic to monitor performance and trends across the projects and the portfolio of assets, develop lesson learnt and analyse trends to ensure and promote safest practices. Proactive integration between QHSE (Quality, Health, Safety & Environment) and project teams for an effective implementation of the OSH monitoring programme, i.e. internal and external OSH audit, committee meeting, OSH meeting and periodic inspections. Raising staff awareness by conducting trainings and OSH campaigns, updating and communicating the Company's OSH/EHS Management System and regulatory requirements, maintaining legal compliance register, and issuing Occupational Safety and Health alert, Covid-19 prevention and control plan.

The Risk	Risk Analysis	Treatment Plan
Operational: Risks related to performance, customers, and the effective and efficient use of resources.		
5. Information Systems and Cyber Threat NO CHANGE	<ul style="list-style-type: none"> System vulnerabilities and control weaknesses are exploited by malicious actors over the internet. <p>Consequences</p> <ul style="list-style-type: none"> If digital assets are not adequately protected from cyberthreats, it can lead to disruption of business operations, financial losses and loss of reputation. 	Information Security & Compliance function continue to assess and strengthen security & compliance readiness of its IT function. The unit undertakes but not limited to below: <ul style="list-style-type: none"> Comprehensive information security policies framework to mitigate cyber threats. All policies and IT Risk Management Framework are aligned with COBIT, ISO27001 and NIST. ISO/IEC 27001 certification which recognises the existence of systems and processes to protect all its corporate and client information assets achieved in 2017 with re-certification in Q4'2020. Surveillance audit conducted by the Lead Auditors annually. Robust security architecture and up-to-date security technologies to prevent cyber threats and detect security incidents. Advanced Threat Protection based on artificial intelligence (AI) and machine learning (ML), deployed to detect, and mitigate cyber threats. Vulnerability management programme in place to identify and mitigate system weakness from hacker's perspective. Email security controls enhanced further by introduction of security controls based on AI & ML. User authentication framework strengthened further by implementing multi-factor authentication and tightly mapped to user's device. Security enhancements undertaken as part of risk assessment to mitigate threats from internal & external threat vectors and to fill any gap, w.r.t. people, process, and technology so that Aldar security posture always remain current & robust. Access to Data and all information assets strictly based on need-to-know and need-to-have principles. Information Classification & labelling implemented with all users required to classify their information/data stored in files. Data leakage prevention technology control deployed to prevent data leakage incidents. Advanced Threat Protection layer deployed on endpoints and perimeter to detect and mitigate any cyber threats. Specific tools deployed to detect cyber threats and anomalies based on artificial intelligence and machine learning without human intervention. DNS Security controls in place to proactively identify, block, and mitigate targeted threats that exploit the Domain Name System (DNS). Security monitoring system, including Data Loss Prevention control, in place to correlate security events and trigger alerts. 24x7 Security Operation Center to monitor the security alerts. Organisation-wide mandatory security awareness training programme in place. Disaster recovery strategy and plan in place, reviewed and tested on regular basis.

PRINCIPAL RISKS continued

The Risk	Risk Analysis	Treatment Plan
Strategic: High-level risks that can have a direct impact on the company's strategic objectives.		
6. ESG Risk	<ul style="list-style-type: none"> Ability for Aldar to minimise the impact of its operations on environment while maximising its positive societal influence and conducting business with the highest Governance standards. <p>Consequences</p> <ul style="list-style-type: none"> Potential negative impact on long term sustainable growth. Potential loss of trust and engagement of key stakeholders. 	<p>Aldar Board and Management mitigate ESG risk by establishing the appropriate governance across the Group, allocating the right level of resources and taking proactive mitigation measures while developing a Group understanding of key ESG risks:</p> <p>Environmental</p> <ul style="list-style-type: none"> Launching decarbonisation plan aiming to reduce our operational impact. Launching a portfolio-wide energy management project to reduce its energy consumption by approximately 20% across 80 assets including hotels, schools, commercial, leisure, retail, and residential buildings. Managing climate-related risks and opportunities by expanding sustainability disclosures aligned with the Task Force on Climate-related Financial. Disclosures (TCFD). Implemented the first solar hybrid power plant, which contributes to reducing the construction offices energy consumption related emissions by 25%. <p>Social</p> <ul style="list-style-type: none"> Pledging AED 15 million to Sandooq Al Watan, totalling the investment to AED 150 million overall. Launching volunteering programme in 2021 where beach and mangrove cleaning and mangrove planting were organised. Investing in Ma'an's first Social Impact Bond, which aims to enable People of Determination with the skills for employment. Supporting sustainability awareness development by attending key local events, e.g. Abu Dhabi Sustainable Leadership Awards and Forum 2021. Aldar also joined the United Nations Global Compact (UNGC), with the aim of further aligning the strategy and initiatives with the United Nations Global Agenda. <p>Governance</p> <ul style="list-style-type: none"> We developed individual Councils within Aldar Development and Aldar Investment to implement strategy, monitor targets and strengthen governance across each business unit. Recruiting dedicated Sustainability lead for Aldar Development and Aldar Investment. Committing to develop specific ESG risk registers and establishing proper governance around ESG issues with accountability at the management and board levels.

