

Dubai Investments PJSC and its subsidiaries
Condensed consolidated interim financial statements
For the three-month period ended 31 March 2024

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Condensed consolidated interim financial statements
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<i>Contents</i>	<i>Page(s)</i>
Review report on condensed consolidated interim financial statements	1-2
Condensed consolidated interim statement of profit or loss	3
Condensed consolidated interim statement of comprehensive income	4
Condensed consolidated interim statement of financial position	5-6
Condensed consolidated interim statement of cash flows	7
Condensed consolidated interim statement of changes in equity	8-9
Notes to the condensed consolidated interim financial statements	10-18



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Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Statements

To the Shareholders of Dubai Investments PJSC

Introduction

We have reviewed the accompanying 31 March 2024 condensed consolidated interim financial statements of Dubai Investments PJSC ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprises:

- the condensed consolidated interim statement of financial position as at 31 March 2024;
- the condensed consolidated interim statements of profit or loss and other comprehensive income for the three-month period ended 31 March 2024;
- the condensed consolidated interim statement of changes in equity for the three-month period ended 31 March 2024;
- the condensed consolidated interim statement of cash flows for the three-month period ended 31 March 2024; and
- notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2024 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.



Dubai Investments PJSC
*Independent Auditors' Report on Review of
Condensed Consolidated Interim Financial Statements
31 March 2024*

Other matter

The consolidated financial statements of the Group as at and for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 7 March 2024. Furthermore, the condensed consolidated interim financial statements of the Group as at and for the three-month period ended 31 March 2023 was reviewed by another auditor who expressed an unqualified conclusion on those condensed consolidated interim financial statements on 11 May 2023.

KPMG Lower Gulf Limited

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

Date: **13 MAY 2024**

Dubai Investments PJSC and its subsidiaries

Condensed consolidated interim statement of profit or loss

	<i>Note</i>	Three-month period ended	
		31 March	
		2024	2023
		AED'000	AED'000
Sale of goods and provision of services		276,980	287,912
Rental income		246,202	225,189
Contract revenue		41,164	53,100
Sale of properties		167,751	135,321
Gain on fair valuation of investments properties	<i>10</i>	-	251,402
Gain on sale of investments properties		-	1,100
Gain on fair valuation of investments		23,439	38,023
Gain on sale of investments		3,445	14,823
Dividend income		10,816	5,707
Share of profit from equity accounted investees		22,091	6,237
Total income		791,888	1,018,814
Cost of sales and providing services	<i>6</i>	(470,778)	(518,257)
Administrative expenses	<i>7</i>	(111,905)	(108,054)
Finance costs		(106,914)	(92,978)
Net impairment losses on trade receivables		(2,582)	(2,498)
Finance income		17,276	12,506
Other income	<i>8</i>	5,357	4,503
Profit before tax for the period		122,342	314,036
Income tax expenses			
Current tax expenses		(6,857)	-
Deferred tax expenses		(3,122)	-
Profit after tax for the period		112,363	314,036
Profit/(loss) after tax attributable to:			
Owners of the Company		119,961	314,445
Non-controlling interests		(7,598)	(409)
Profit after tax for the period		112,363	314,036
Earnings per share			
Basic and diluted earnings per share (AED)	<i>15</i>	0.028	0.074

Dubai Investments PJSC and its subsidiaries

Condensed consolidated interim statement of comprehensive income

	Three-month period ended	
	31 March	
	2024	2023
	AED'000	AED'000
Profit after tax for the period	112,363	314,036
Other comprehensive income (“OCI”):		
<i>Items that will not be reclassified to profit or loss</i>		
Net change in fair value of investments at fair value through OCI	(58)	6,379
Total other comprehensive income for the period	(58)	6,379
Total comprehensive income for the period	112,305	320,415
Attributable to:		
Owners of the Company	119,918	320,066
Non-controlling interests	(7,613)	349
Total comprehensive income for the period	112,305	320,415

Dubai Investments PJSC and its subsidiaries

Condensed consolidated interim statement of financial position

		31 March 2024	31 December 2023	31 March 2023
	<i>Note</i>	AED'000	AED'000	AED'000
Assets				
Non-current assets				
Property, plant and equipment	9	1,463,421	1,486,999	1,557,437
Right-of-use-assets		314,190	323,079	338,331
Goodwill and intangible assets		241,098	242,447	248,824
Investment properties	10	10,123,337	10,099,681	9,809,232
Investments at fair value through other comprehensive income	11	84,781	84,839	65,921
Other financial assets at fair value through profit or loss		36,426	38,706	42,797
Investments in equity accounted investees		1,560,272	1,506,287	1,516,579
Rent receivable		39,131	46,529	33,356
Inventories	12	21,356	21,356	253,680
Trade receivables		422,465	408,950	253,735
Other receivables		5,845	5,650	5,530
Total non-current assets		14,312,322	14,264,523	14,125,422
Current assets				
Inventories	12	1,287,181	1,350,632	1,485,775
Investments at fair value through profit or loss	11	2,063,893	2,023,908	1,935,676
Trade receivables		2,058,971	1,957,390	1,858,299
Due from related parties and other receivables		642,820	463,540	601,962
Short-term deposits with banks	14	59,315	69,102	146,014
Cash and cash equivalents	14	897,582	1,166,702	803,793
Assets of a disposal group classified as held for sale		142,000	142,000	-
Total current assets		7,151,762	7,173,274	6,831,519
Total assets		21,464,084	21,437,797	20,956,941
EQUITY AND LIABILITIES				
EQUITY				
Share capital		4,252,020	4,252,020	4,252,020
Share premium		46	46	46
Capital reserve		25,502	25,502	25,502
Legal reserve		1,579,751	1,579,751	1,491,289
General reserve		1,433,939	1,433,939	1,433,939
Fair value reserve		(172,216)	(172,173)	(187,357)
Proposed dividend	17	531,503	531,503	531,503
Retained earnings		5,930,331	5,810,370	5,613,496
Equity attributable to owners of the Company		13,580,876	13,460,958	13,160,438
Non-controlling interests		228,119	204,922	198,252
Total equity		13,808,995	13,665,880	13,358,690

Dubai Investments PJSC and its subsidiaries

Condensed consolidated interim statement of financial position (continued)

		31 March 2024	31 December 2023	31 March 2023
	<i>Note</i>	AED'000	AED'000	AED'000
LIABILITIES				
Non-current liabilities				
Long-term bank borrowings	16	3,288,938	3,541,844	3,805,395
Lease liabilities		319,729	329,907	341,124
Other payables		73,858	72,937	130,893
Deferred tax liabilities		22,697	19,530	-
Total non-current liabilities		3,705,222	3,964,218	4,277,412
Current liabilities				
Bank borrowings	16	1,798,562	1,789,747	1,462,045
Lease liabilities		36,254	36,533	36,237
Due to related parties, trade and other payables		2,115,051	1,981,419	1,822,557
Total current liabilities		3,949,867	3,807,699	3,320,839
Total liabilities		7,655,089	7,771,917	7,598,251
Total equity and liabilities		21,464,084	21,437,797	20,956,941

To the best of our knowledge, the condensed consolidated interim financial statements are prepared in all material respects, in accordance with IAS 34. These condensed consolidated interim financial statements were approved by the Board of Directors on 13 May 2024 and were signed on its behalf by:



Abdulrahman Ghanem Almutaiwee
Chairman



Khalid Jassim Kalban
Vice – Chairman and Chief Executive Officer

Dubai Investments PJSC and its subsidiaries

Condensed consolidated interim statement of cash flows

	Note	Three-month period ended 31 March	
		2024 AED'000	2023 AED'000
Cash flows from operating activities			
Profit before tax for the period		122,342	314,036
<i>Adjustments for:</i>			
Depreciation		38,425	37,095
Amortisation of intangible assets		3,311	3,428
Impairment loss on property, plant and equipment	6	-	41,547
Revaluation loss on assets transferred from property, plant and equipment to investment properties	6	-	5,867
Gain on disposal of property, plant and equipment		(14)	(39)
Gain on sale of investments		(3,445)	(14,823)
Share of profit from equity accounted investees		(22,091)	(6,237)
Gain on fair valuation of investment properties	10	-	(251,402)
Gain on sale of investment properties		-	(1,100)
Gain on fair valuation of investments		(23,439)	(38,023)
Net impairment losses on trade receivables		2,582	2,498
Finance income		(17,276)	(12,506)
Finance costs		106,914	92,978
Operating profit before changes in working capital		207,309	173,319
<i>Changes in:</i>			
- Investments at fair value		(13,101)	(124,988)
- Due from related parties, trade and other receivables		(244,508)	(88,989)
- Inventories		63,451	121,647
- Due to related parties, trade and other payables		127,696	127,504
Net cash generated from operating activities		140,847	208,493
Cash flows from investing activities			
Additions to investment properties		(23,656)	(287,357)
Proceeds from disposal of investment property		-	97,001
Acquisition of property, plant and equipment		(5,959)	(10,998)
Proceeds from disposal of property, plant and equipment		14	173
Additions to intangible assets		(1,962)	(142)
Finance income received		7,895	12,506
Net movement in short term deposits	14	9,787	(35,876)
Net movement in equity accounted investees	19	(31,894)	18,122
Net cash used in investing activities		(45,775)	(206,571)
Cash flows from financing activities			
Proceeds from bank borrowings		159,431	177,529
Repayment of bank borrowings		(400,438)	(76,088)
Dividend paid to non-controlling interest		(2,731)	(2,199)
Additional contribution by non-controlling interest		-	3,500
Principal elements of lease payments		(10,456)	(5,129)
Interest expenses on lease liabilities		(6,732)	(7,141)
Finance costs		(90,234)	(85,837)
Net cash (used in) / generated from financing activities		(351,160)	4,635
Net (decrease)/increase in cash and cash equivalents		(256,088)	6,557
Cash and cash equivalents at 1 January	14	986,782	622,133
Cash and cash equivalents at 31 March		730,694	628,690
<i>Cash and cash equivalents comprise following:</i>			
Cash in hand, current and call accounts with banks	14	817,012	433,218
Short term deposits with banks (excluding those under lien)	14	80,570	370,575
Bank overdrafts, trust receipts loans and bills discounted		(166,888)	(175,103)
		730,694	628,690

Dubai Investments PJSC and its subsidiaries

Condensed consolidated interim statement of changes in equity
For the three-month period ended 31 March 2024

	Share capital	Share premium	Capital reserve	Legal reserve	General reserve	Fair value reserve	Proposed dividend	Retained earnings	Sub total	Non- controlling interests	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Balance at 1 January 2023	4,252,020	46	25,502	1,491,289	1,445,397	(192,978)	531,503	5,287,593	12,840,372	196,602	13,036,974
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	314,445	314,445	(409)	314,036
Other comprehensive income											
Net change in fair value of investments at fair value through OCI	-	-	-	-	-	5,621	-	-	5,621	758	6,379
Total other comprehensive income for the period	-	-	-	-	-	5,621	-	-	5,621	758	6,379
Total comprehensive income for the period	-	-	-	-	-	5,621	-	314,445	320,066	349	320,415
Transactions with owners, in their capacity as owners											
Dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	(2,199)	(2,199)
Contribution by non-controlling interest	-	-	-	-	-	-	-	-	-	3,500	3,500
Total transaction with owners in the capacity as owners	-	-	-	-	-	-	-	-	-	1,301	1,301
Other movements											
Transfers	-	-	-	-	(11,458)	-	-	11,458	-	-	-
Total other movements	-	-	-	-	(11,458)	-	-	11,458	-	-	-
Balance at 31 March 2023	4,252,020	46	25,502	1,491,289	1,433,939	(187,357)	531,503	5,613,496	13,160,438	198,252	13,358,690

The notes set out on pages 10 to 18 form part of these condensed consolidated interim financial statements

(8)

Dubai Investments PJSC and its subsidiaries

Condensed consolidated interim statement of changes in equity
For the three-month period ended 31 March 2024 (continued)

	Share capital	Share premium	Capital reserve	Legal reserve	General reserve	Fair value reserve	Proposed dividend	Retained earnings	Sub total	Non- controlling interests	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Balance at 1 January 2024	4,252,020	46	25,502	1,579,751	1,433,939	(172,173)	531,503	5,810,370	13,460,958	204,922	13,665,880
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	119,961	119,961	(7,598)	112,363
Other comprehensive income											
Net change in fair value of investments at fair value through OCI	-	-	-	-	-	(43)	-	-	(43)	(15)	(58)
Total other comprehensive income for the period	-	-	-	-	-	(43)	-	-	(43)	(15)	(58)
Total comprehensive income for the period	-	-	-	-	-	(43)	-	119,961	119,918	(7,613)	112,305
Transactions with owners, in their capacity as owners											
Dividend paid by subsidiaries	-	-	-	-	-	-	-	-	-	(2,731)	(2,731)
Contribution by non-controlling interest	-	-	-	-	-	-	-	-	-	33,541	33,541
Total transaction with owners in the capacity as owners	-	-	-	-	-	-	-	-	-	30,810	30,810
Balance at 31 March 2024	4,252,020	46	25,502	1,579,751	1,433,939	(172,216)	531,503	5,930,331	13,580,876	228,119	13,808,995

The notes set out on pages 10 to 18 form part of these condensed consolidated interim financial statements

(9)

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial statements For the three-month period ended 31 March 2024

1. Reporting entity

Dubai Investments PJSC (“the Company”) was incorporated in the United Arab Emirates by Ministerial Resolution No. 46 of 1995, on 16 July 1995. These condensed consolidated interim financial statements as at and for the three-month period ended 31 March 2024 (“the current period”) comprise the financial statements of the Company and its subsidiaries (collectively referred to as “the Group”) and the Group’s interest in associates and joint arrangements.

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

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

2. Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with the International Accounting Standard (“IAS”) 34, Interim Financial Reporting issued by International Accounting Standard Board (“IASB”) and comply with the provisions of the UAE Companies law. The condensed consolidated interim financial statements does not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2023. In addition, results for the period from 1 January 2024 to 31 March 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

3. Material accounting policies

The accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those applied by the Group in its recent annual audited consolidated financial statements as at and for the year ended 31 December 2023.

Amendment to standards and interpretations issued and effective during the financial year beginning 1 January 2024

- 1) Disclosure Non-current Liabilities with Covenants – amendments to IAS 1 and Classification of Liabilities as Current or Non-current – amendments to IAS 1
- 2) Lease liability in a sale and leaseback – amendments to IFRS 16
- 3) Supplier Finance Arrangements – amendment to IAS 7 and IFRS 7

The amendments listed above did not have any impact on the amounts recognised in prior periods and current period and are not expected to significantly affect the future periods.

New standards, interpretations and amendments issued but not yet effective for the year beginning 1 January 2024 and not early adopted by the Group

- 1) Lack of Exchangeability - amendments to IAS 21 (effective from 1 January 2025)
- 2) Sale or contribution of Assets between an Investor and its Associate or Joint Venture - amendment to IFRS 10 and IAS 28 (Available for optional adoption/ effective date deferred indefinitely)

These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

4. Use of estimates and judgments

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the preparation of the consolidated financial statements of the Group as at and for the year ended 31 December 2023.

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial statements
For the three-month period ended 31 March 2024 (continued)

5. Financial instruments

– Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2023.

– Valuation of financial instruments

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

Level 1: inputs that are quoted market price (unadjusted) in an active market for identical instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted market prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

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

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

<i>31 March 2024</i>	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Financial assets at fair value through profit or loss	193,727	1,049,561	820,605	2,063,893
Financial assets at fair value through other comprehensive income	328	-	84,453	84,781
	194,055	1,049,561	905,058	2,148,674
<i>31 December 2023</i>	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
Financial assets at fair value through profit or loss	177,627	1,061,799	784,482	2,023,908
Financial assets at fair value through other comprehensive income	385	-	84,454	84,839
	178,012	1,061,799	868,936	2,108,747
– Reconciliation of Level 3 fair value measurements of financial assets			2024 AED'000	2023 AED'000
As at 1 January			868,936	596,674
Additions during the period/year			33,854	242,287
Redeemed/sold during the period/year			(142)	(60,821)
Transfer from level 2			-	14,831
Gain included in OCI				
- Net change in fair value (unrealised)			-	25,310
Gain recorded in profit and loss				
- Net change in fair value (unrealised)			2,410	50,655
As at 31 March/December			905,058	868,936

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial statements
For the three-month period ended 31 March 2024 (continued)

5. Financial instruments (continued)

– Valuation techniques

The fair values of Level 3 financial instruments have been determined on the same basis and assumptions as for the year ended 31 December 2023.

6. Cost of sales and providing services

	Three-month period ended	
	31 March	
	2024	2023
	AED'000	AED'000
<i>These mainly include:</i>		
Materials consumed	192,765	200,975
Cost of properties sold	152,629	125,762
Impairment loss on property, plant and equipment (Note 9)	-	41,547
Revaluation loss on assets transferred from property, plant and equipment to investment properties (Note 9)	-	5,867
Depreciation and amortisation	37,205	32,819
Staff costs	28,325	27,178
Share of Government of Dubai in the realised profits of a subsidiary	25,487	25,102
Infrastructure and development works cost sharing with Road and Transport Authority (“RTA”)	7,270	7,270

7. Administrative expenses

	Three-month period ended	
	31 March	
	2024	2023
	AED'000	AED'000
<i>These mainly include:</i>		
Staff costs	60,689	54,249
Selling and marketing expenses	12,394	12,927
Depreciation and amortisation	4,531	7,704

8. Other income

Other income mainly includes income from sale of scrap, dewatering income, penalty charges for late payments from customers, advertisement income and miscellaneous income.

9. Property, plant and equipment

During the three-month period ended 31 March 2024, the Group’s additions to property, plant and equipment amounted to AED 5.96 million (year ended 31 December 2023: AED 75.57 million).

No impairment loss was recorded during the three-month period ended 31 March 2024 (during three-month period ended 31 March 2023: AED 41.55 million).

Based on a change in use supported by observable actions, the Group reclassified an amount of AED 72 million from property, plant and equipment to investment properties during the three-month period ended 31 March 2023 (Note 10), consequently, had recorded a revaluation loss of AED 5.9 million during the three-month period ended 31 March 2023 (Note 6).

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial statements
For the three-month period ended 31 March 2024 (continued)

10. Investment properties

Included in investment properties are mainly the following:

	31 March 2024	31 December 2023	31 March 2023
	AED'000	AED'000	AED'000
- Infrastructure and ancillary facilities	5,787,253	5,787,253	5,302,212
- Plots of land for future development	1,603,574	1,600,908	1,510,565
- Residential facilities	1,148,693	1,127,251	967,398
- Retail and commercial facilities	1,089,189	1,089,189	1,467,286
- Labor camps and warehouses	494,628	495,080	561,771
	10,123,337	10,099,681	9,809,232

- (i) The key assumptions used for valuation of the investment properties are largely consistent with those adopted as at 31 December 2023 and accordingly the fair value of the investment properties have not changed significantly during the three-month period ended 31 March 2024 and consequently, no fair valuation gain / loss has been recorded for the three-month period ended 31 March 2024.
- (ii) During the three-month period ended 31 March 2024, additions to investment properties amounted to AED 23.66 million (year ended 31 December 2023: AED 351.63 million).
- (iii) As at 31 March 2023, given there was a change of use supported by observable actions, the Group reclassified an amount of;
- AED 397.79 million from investment properties to inventories and recorded fair valuation gain of AED 243.31 million at the time of transfer ; and
 - AED 72 million from property, plant and equipment to investment properties (Note 9).

As a result of the above reclassifications and acquisition of certain retail and commercial facility, the Group obtained fair values of certain plots of land, retail and commercial facilities. The valuations were carried out by independent registered valuers in accordance with the RICS Valuation – Global Standards issued by the Royal Institute of Chartered Surveyors using sales comparison and income valuation approach.

Based on this, fair valuation gain of AED 251.4 million was recorded during the three-month period ended 31 March 2023.

- (iv) Key assumptions and the significant unobservable inputs used in the fair value measurement of investment properties are as follows:

Type of property	Key assumptions
Infrastructure and ancillary facilities	Future contractual rental cash inflows, discount rate and outgoing expenses.
Plots of land for future development and residential facilities	Market sales rates
Retail and commercial facilities and labor camps and warehouses	Future market rental cash inflows and capitalisation yield rates

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial statements
For the three-month period ended 31 March 2024 (continued)

11. Financial investments

	31 March 2024	31 December 2023	31 March 2023
	AED'000	AED'000	AED'000
<i>Investments at fair value through other comprehensive income</i>			
- Equity securities (i)	84,781	84,839	65,921
<i>Investments at fair value through profit or loss</i>			
- Held for trading quoted equity securities	268,558	249,635	500,024
- Unquoted equity securities, funds, bonds and sukus	1,795,335	1,774,273	1,435,652
(ii)	2,063,893	2,023,908	1,935,676
<i>Geographical distribution of investments</i>			
UAE	641,238	602,330	682,030
Other GCC countries	302,238	280,082	261,307
Other countries	1,205,198	1,226,335	1,058,260
(i)+(ii)	2,148,674	2,108,747	2,001,597

12. Inventories

Inventories at 31 March 2024 include properties held for development and sale in the ordinary course of business amounting to AED 1,053 million (31 December 2023: AED 1,130 million) and represent costs of land and expenditure incurred towards the development of properties for subsequent sale. The Group intends to develop/has developed these properties for sale and has classified these properties as long term or short term based on completion/future development plans.

Net realisable value (“NRV”) estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore, cannot be determined with precision. The Group has considered whether there are any indicators, such as comparable market transactions giving rise to lower sales values, to show that the estimated NRV for properties held for development and sale are less than the carrying values. Based on their assessment, management have concluded that no provision for NRV is required to be recorded.

13. Related party transactions

Significant related party transactions during the period were as follows:

	Three-month period ended 31 March	
	2024	2023
	AED'000	AED'000
Rental income	1,177	531
Cooling charges	1,675	3,070
Interest income	613	883
Compensation to key management personnel		
Short term benefits	10,483	9,833
Post-employment benefits	136	127

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial statements
For the three-month period ended 31 March 2024 (continued)

14. Short-term deposits with banks and cash and cash equivalents

	31 March 2024	31 December 2023	31 March 2023
	AED'000	AED'000	AED'000
Short term deposits with banks			
Short term deposits with banks having maturity of more than 3 months	20,000	20,000	-
Short term deposits within UAE under lien with banks	39,315	49,102	146,014
	59,315	69,102	146,014
Cash and cash equivalents			
Cash in hand	1,661	1,848	1,352
Cash at bank within UAE (current accounts)	723,372	973,750	357,077
Cash at bank outside UAE – GCC Countries (current accounts)	2,069	36	880
Cash at bank outside UAE – Other countries (current accounts)	89,910	73,482	73,909
Short term deposits within UAE having maturity of less than 3 months	80,570	117,586	370,575
	897,582	1,166,702	803,793

15. Basic and diluted earnings per share

	Three-month period ended 31 March	
	2024	2023
Profit after tax for the period attributable to the Owners of the Company (AED'000)	119,961	314,445
Weighted average number of shares outstanding ('000s)	4,252,020	4,252,020
Basic and diluted earnings per share (AED)	0.028	0.074

16. Bank borrowings

The terms of the bank borrowings vary from one to ten years. These are secured by a combination of the Company's corporate guarantee, mortgages over certain investment properties, inventories, trade receivables, property, plant and equipment, assignment of receivables and insurance policies over assets of the Group and lien on bank deposits. The interest rate of majority of the bank borrowings range between 0.45% to 3.5% over relevant EIBOR /SOFR p.a. Where there is a corporate guarantee, the Company's liability is generally restricted to its percentage of equity interest in the borrowing entity.

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial statements

For the three-month period ended 31 March 2024 (continued)

17. Proposed dividend and directors' fee

- (i) At the Annual General Meeting held on 17 April 2024, the shareholders approved a 12.5% (AED 0.125 per share) cash dividend proposed by the Board of Directors.
- (ii) At the Annual General Meeting held on 17 April 2024, the shareholders approved the proposed Directors' fee amounting to AED 18 million for the year ended 31 December 2023.

18. Capital commitments

	31 March 2024	31 December 2023
	AED'000	AED'000
Capital commitments – contracted and committed	566,882	565,147

Commitments mainly include the following:

- Value of construction contracts awarded to contractors for real estate projects under development.
- Dubai Investments Park Development Company LLC, a subsidiary of the Company, had signed an agreement with RTA to share in the cost of infrastructure and development works of the adjoining areas. Total outstanding commitment as at 31 March 2024 amounts to AED 159.9 million (31 December 2023: AED 159.9 million) which will be invoiced and paid until 2029.

19. Investment in equity accounted investees'

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

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial statements

For the three-month period ended 31 March 2024 (continued)

20. Corporate tax law

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance (“MoF”) released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law (“CT Law”) to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023.

The taxable income of the entities that are in scope for UAE CT purposes will be subject to the rate of 9% corporate tax or 0% for qualifying free zone persons. It is not currently foreseen that the Group’s UAE operations will be subject to the application of the Global Minimum Tax rate of 15% in 2024. The application is dependent on the implementation of Base Erosion Profit Shifting (BEPS) – Pillar Two rules by the countries where the Group operates and the implementation of a top-up tax regime in the UAE.

The Group's consolidated effective tax rate in respect of continuing operations for the three months period ended 31 March 2024 was 8.15% percent (three months ended 31 March 2023: Nil) since the new CT Law has become effective for accounting periods beginning on or after 1 June 2023.

The effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

For the purposes of computing corporate tax charge, the Group has considered proposed tax group as per permitted CT Law.

21. Segment reporting

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

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

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

Dubai Investments PJSC and its subsidiaries

Notes to the condensed consolidated interim financial statements
For the three-month period ended 31 March 2024 (continued)

21. Segment reporting (continued)

Information about reportable segments

<i>Business Segments</i>	Property		Manufacturing, contracting and services		Investments		Total	
	Three-month period ended		Three-month period ended		Three-month period ended		Three-month period ended	
	31 March		31 March		31 March		31 March	
	2024	2023	2024	2023	2024	2023	2024	2023
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Sales of goods and services	25,555	22,641	248,145	261,803	3,280	3,468	276,980	287,912
Rental income	246,202	225,189	-	-	-	-	246,202	225,189
Contract revenue (over time)	-	-	41,164	53,100	-	-	41,164	53,100
Sale of properties - at a point in time	92,519	135,321	-	-	-	-	92,519	135,321
overtime	75,232	-	-	-	-	-	75,232	-
Gain on fair valuation of investment properties	-	251,402	-	-	-	-	-	251,402
Gain on sale of investment properties	-	1,100	-	-	-	-	-	1,100
Gain on fair valuation of investment	-	-	-	-	23,439	38,023	23,439	38,023
Others	-	-	-	-	36,352	26,767	36,352	26,767
Total income	439,508	635,653	289,309	314,903	63,071	68,258	791,888	1,018,814
Cost of sales and providing services	(246,938)	(255,344)	(223,840)	(262,913)	-	-	(470,778)	(518,257)
Administrative expenses	(29,430)	(27,461)	(50,470)	(45,848)	(32,005)	(34,745)	(111,905)	(108,054)
Finance costs	(82,853)	(64,374)	(12,540)	(12,741)	(11,521)	(15,863)	(106,914)	(92,978)
Net impairment loss on trade receivables	(736)	141	(1,846)	(2,639)	-	-	(2,582)	(2,498)
Finance income and other income	16,927	5,602	2,701	2,003	3,005	9,404	22,633	17,009
Profit before tax for the period	96,478	294,217	3,314	(7,235)	22,550	27,054	122,342	314,036
	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December
	2024	2023	2024	2023	2024	2023	2024	2023
Assets	15,264,038	14,834,935	1,905,322	1,936,537	4,294,724	4,666,325	21,464,084	21,437,797
Liabilities	4,987,902	5,155,475	1,219,948	1,244,518	1,447,239	1,371,924	7,655,089	7,771,917

The Group's revenue is mainly earned from transactions carried out in UAE and other GCC countries.