



ALDAR WELCOMES NEW UAE TAX DEPRECIATION DECISION AS POSITIVE STEP FOR THE REAL ESTATE SECTOR

- New Ministerial Decision allows depreciation deductions for investment properties held at fair value under the UAE Corporate Tax Law

Aldar has welcomed the UAE Ministry of Finance's new Ministerial Decision on Depreciation Adjustments for Investment Properties held at Fair Value, under Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses. The decision allows taxpayers, who elect the realization basis, to deduct tax depreciation from their taxable income for investment properties held at fair value. The tax depreciation amount will be the lower of the tax written down value or 4% of the original cost of the property for each 12-month tax period or prorated for shorter periods.

This treatment ensures tax neutrality and equity with deductions available to businesses that hold investment properties on a historical cost basis. The decision also provides clarity on how tax depreciation applies in cases of property transfers (between related or third parties), developments, and claw-back scenarios—ensuring businesses have a clear view of their compliance obligations and financial planning.

Faisal Falaknaz, Group Chief Financial and Sustainability Officer at Aldar, said: "Aldar expresses its gratitude for the UAE Ministry of Finance for this progressive and well-calibrated step, which reflects a deep commitment to fairness, clarity, and international best practices in the implementation of the Corporate Tax Law. By enabling depreciation deductions for investment properties held at fair value, this decision creates parity between different accounting treatments, helping companies plan long-term capital deployment more effectively. It will also reinforce investor confidence, attract institutional capital, and enhance the UAE's standing as a transparent, competitive, and globally integrated investment destination—particularly for the real estate sector."

Aldar operates two core business divisions: Aldar Development and Aldar Investment. Aldar Investment holds a substantial portfolio of income-generating properties across key asset classes, including commercial, retail, residential, and logistics. As of 31 December 2024, the portfolio had a gross asset value of AED 25.8 billion and delivered EBITDA of AED 2.5 billion in 2024.

- Ends -



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About Aldar

Aldar is the leading real estate developer, manager, and investor in Abu Dhabi, with a growing presence across the United Arab Emirates, the Middle East North Africa, and Europe. The company has two core business segments, Aldar Development and Aldar Investment.

Aldar Development is a master developer of a 62 million sqm strategic landbank, creating integrated and thriving communities across Abu Dhabi, Dubai, and Ras Al Khaimah's most desirable destinations. The delivery of Aldar's developments is managed by Aldar Projects, which is also a key partner of the Abu Dhabi government in delivering housing and infrastructure projects across the UAE's capital. Internationally, Aldar Development wholly owns UK real estate developer London Square, as well as a majority stake in leading Egyptian real estate development company, SODIC.

Aldar Investment houses a core asset management business comprising a portfolio of more than AED 46 billion worth of investment grade and income-generating real estate assets diversified across retail, residential, commercial, logistics, and hospitality segments. It manages four core platforms: Aldar Investment Properties, Aldar Hospitality, Aldar Education, and Aldar Estates.

For more information on Aldar please visit www.aldar.com or follow us on:

