

EMAAR

Press Release

Emaar's profit increased by 70% and property sales increased by 15% reaching AED 40.3 billion (US\$ 11 billion)

- *Emaar's property sales backlog reached AED 71.8 billion (US\$ 19.5 billion), to be recognised as revenue in the coming years*
- *Emaar's EBITDA increased by 63% to AED 16 billion (US\$ 4.4 billion)*
- *Recurring revenues grew by 26% in 2023, supported by increased tenant sales and robust tourism*
- *Emaar unveiled two prestigious projects, Palmiera at The Oasis in Dubai and Address Residences Al Marjan Island in Ras Al Khaimah*

Dubai, United Arab Emirates – 08 February 2024: During 2023, Emaar Properties PJSC (DFM: EMAAR) demonstrated sustained profitable growth with ongoing enhancements in property sales, a notable upswing in profitability, and remarkable progress in the performance of its recurring revenue sectors.

Key Achievements Highlights

Emaar recorded revenues of AED 26.7 billion (US\$ 7.3 billion) and net profit of AED 11.6 billion (US\$ 3.2 billion) in 2023 achieving growth of 7% and 70% respectively compared to the same period last year. This performance was supported by growth in tourism, a continued upward trend in retail sales, and a consistent increase in real estate demand. Emaar also achieved 63% growth in EBITDA, reaching AED 16 billion (US\$ 4.4 billion) during 2023 as compared to 2022.

With a 15% year-over-year growth, Emaar achieved group property sales of AED 40.3 billion (US\$ 11 billion) in 2023. Enhanced by property sales during 2023, the group's revenue backlog from property sales reached AED 71.8 billion (US\$ 19.5 billion) as of 31 December 2023, indicating positive outlook for revenue recognition in the forthcoming years.

Mohamed Alabbar, founder of Emaar, stated, *"Following a prosperous 2023, our achievements are indeed gratifying. The strategic initiatives undertaken in the past two years, coupled with enhancements in consumer confidence and overall business dynamics, especially in the real estate and retail sector, have significantly influenced our company's operations throughout the previous year. With these results, we look forward to a positive performance in our shopping centres, hotels, and property sales in 2024. We remain committed to unveiling innovative projects and unparalleled offerings across all our business divisions."*

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Emaar's long-standing reputation for customer focus, exceptional design, construction excellence, and innovation across all market segments continues to attract both domestic and international investors.

UAE Build-To-Sell Property Development

Emaar Development PJSC (DFM: EMAARDEV), sustained its property sales momentum in 2023. With the successful launch of 27 new projects across all master plans in the UAE, Emaar Development achieved property sales of AED 37.4 billion (US\$ 10.2 billion), reflecting a growth of over 21% compared to 2022.

In 2023, Emaar Development reported revenue of AED 11.9 billion (US\$ 3.2 billion) and achieved EBITDA of AED 8 billion (US\$ 2.2 billion), marking an 89% growth compared to 2022. Emaar Properties recorded a total revenue of AED 14.4 billion (US\$ 3.9 billion) from its property development business in UAE (including Dubai Creek Harbour owned by Emaar Properties).

Revenue backlog from property sales in the UAE increased to AED 62.1 billion (US\$ 16.9 billion) as of 31 December 2023, representing a Y-o-Y growth of around 50%.

Shopping Mall, Retail, and Commercial Leasing

Emaar's shopping malls, retail, and commercial leasing operations recorded revenue of AED 5.8 billion (US\$ 1.6 billion) in 2023. During the same period, the portfolio achieved an EBITDA of AED 5 billion (US\$ 1.4 billion), marking an increase of 54% over 2022, excluding AED 700 million (US\$ 191 million) gain on sale of Namshi in Q1 2023. This performance is attributed to robust growth in tenant sales, which saw an increase of around 21% compared to 2022. Our mall assets achieved an average occupancy of 97% as of 31 December 2023.

In 2023, Dubai Mall also unveiled its latest additions *Dubai Mall Chinatown* with a week-long China cultural event. This new extension, synergizing shopping, cultural facets, and an authentic oriental atmosphere, not only enhances the Dubai Mall's appeal but also strengthens the strategic economic ties between the UAE and China.

Emaar International

Emaar's international real estate operations recorded property sales of AED 2.9 billion (US\$ 0.8 billion) in 2023 and recognised revenues totaling AED 3.1 billion (US\$ 0.9 billion). The performance of international operations in 2023 was primarily driven by Egypt and India. Emaar's India operation saw an increase of 4X in the property sales compared to last year driven by new launches. Revenues from international real estate operations represent over 12% of Emaar's total revenue in 2023.

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Hospitality, Leisure, and Entertainment

In 2023, Emaar's hospitality, leisure, and entertainment divisions recorded a growth in revenues of around 20% compared to 2022, reaching AED 3.4 billion (US\$ 0.9 billion). This growth was driven by a consistent recovery in the tourism industry, coupled with strong domestic spending. Emaar's UAE hotels increased its average occupancy to 72% and sustained its ADRs level. Emaar expanded its collection of hotels, both domestically and internationally, and added around 1,600 new hotel keys with the opening of Vida Creek Beach in Dubai and Address Jabal Al Omar Makkah.

Recurring Revenue

Emaar's diverse and sustainable revenue-generating portfolio, encompassing malls, hospitality, leisure, entertainment, and commercial leasing, achieved positive results in 2023. The portfolio recorded revenues totaling AED 9.2 billion (US\$ 2.5 billion), showcasing a growth of more than 26% compared to the corresponding period in the previous year (excluding Namshi, sold in February 2023). Revenue from this portfolio constituted over 34% of Emaar's total revenue in 2023.

-Ends-

Note to Editors:

About Emaar Properties

Emaar Properties PJSC, listed on the Dubai Financial Market, is a global property developer and provider of premium lifestyles, with a significant presence in the Middle East, North Africa and Asia. One of the world's largest real estate companies, Emaar has a land bank over 1.7 billion sq. ft. in the UAE and key international markets.

With a proven track-record in delivery, Emaar has delivered approximately 108,000 residential units in Dubai and other global markets since 2002. Emaar has strong recurring revenue-generating assets with approx. 1,300,000 square meters of leasing revenue-generating assets and 34 hotels and resorts with over 8,700 keys (includes owned as well as managed hotels). Today, 46 percent of Emaar's revenue is from its shopping malls & retail, hospitality & leisure and international subsidiaries.

Burj Khalifa, a global icon, Dubai Mall, the world's most-visited retail and lifestyle destination, and Dubai Fountain, the world's largest performing fountain, are among Emaar's trophy destinations.

Follow Emaar on: Facebook: www.facebook.com/emaardubai, Twitter: www.twitter.com/emaardubai, Instagram: www.instagram.com/emaardubai.

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EMAAR PROPERTIES PJSC
Consolidated Income Statement

(AED Millions)

For the year ended	
31 Dec 2023	31 Dec 2022

	Unaudited	Unaudited	% change
Revenue	26,750	24,926	7%
Cost of revenues	(9,884)	(12,339)	20%
Gross Profit	16,866	12,587	34%
Selling, marketing, general & administration and other expenses	(2,660)	(3,944)	33%
Other income, net	1,590	959	66%
Share of results from associates and joint ventures	237	214	11%
EBITDA	16,033	9,816	63%
Depreciation and Amortisation	(1,535)	(1,415)	(8%)
Finance income, net	564	76	642%
Income tax expenses	(232)	(338)	31%
Minority interest	(3,200)	(1,307)	(145%)
Net profit for the period	11,630	6,832	70%
Earnings per share (AED)	1.32	0.83	59%

Mohamed Alabbar.....

Date:-

