

# EMAAR

## Press Release

### **Emaar records a 43% increase in net profit for Q1 2023 achieving group property sales of AED 9.2 billion (\$2.5 billion)**

- Emaar's property sales backlog reached AED 55.7 billion (US\$ 15.2 billion), which will be recognised as revenue in the coming years.
- Recurring revenue recorded an increase of 11% in Q1 2023, supported by an increase in tenant sales and a resurgence in tourism activity
- Sale of Namshi to Noon valued at AED 1.2 billion (US\$ 335 million) completed in Q1 2023

**Dubai, United Arab Emirates – 11 May 2023:** Emaar Properties PJSC (DFM: EMAAR) has announced robust Q1 2023 financial results attributed to good property sales performance and operational excellence across its businesses.

#### **Key Accomplishment Highlights**

Emaar reported revenue of AED 6.3 billion (US\$ 1.7 billion) in the first quarter of 2023, supported by increased tourism, retail sales and demand for real estate projects in Dubai. Emaar recorded an EBITDA and net profit for the first quarter of 2023 of AED 4.0 billion (US\$ 1.1 billion) and AED 3.2 billion (US\$ 873 million), respectively, which is an increase of 26 per cent and 43 per cent, respectively, compared to the first quarter to 2022.

In the first quarter of 2023, Emaar's group property sales reached AED 9.2 billion (US\$ 2.5 billion), an 11 per cent increase compared to Q1 2022. Emaar's revenue backlog from property sales increased to AED 55.7 billion (US\$ 15.2 billion), which will be recognised as revenue in the coming years.

Mohamed Alabbar, Founder of Emaar, said: *"Emaar's financial performance during the first quarter demonstrates our capability to continually enhance our performance through effective management of its operational efficiencies. As a direct consequence of our enhanced capacity to scale our operations, we have seen both an increase in EBITDA and a widening of margins. Owing to Emaar's unwavering commitment to innovation, talent and operational excellence, the company is in a position to increase sales, lift profitability, and drive customers happiness and shareholders value."*

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## **UAE Build-To-Sell Property Development**

Emaar Development PJSC (DFM: EMAARDEV), a majority-owned subsidiary of Emaar, has recorded property sales of AED 8.6 billion (US\$ 2.3 billion) in the first quarter of 2023, a growth of 26 per cent compared to the first quarter of 2022. Emaar's property development revenue in UAE amounted to AED 3.6 billion (US\$ 970 million) in the first quarter of 2023. We successfully launched seven new projects in the UAE during Q1 2023.

## **Emaar International**

During the first quarter of 2023, international real estate operations of Emaar achieved property sales of AED 627 million (US\$ 171 million) and generated revenue of AED 420 million (US\$ 114 million), representing 7 per cent of Emaar's overall revenue. The financial results of our international operations were primarily driven by the profitable operations in Egypt.

## **Shopping Mall, Retail and Commercial Leasing**

Shopping mall, retail and commercial leasing operations saw a 7 per cent increase in revenue for Q1 2023 compared to the same period in the prior year, reaching AED 1.4 billion (US\$ 388 million). Emaar recorded an EBITDA of AED 1.7 billion (US\$ 474 million) from its shopping mall, retail and commercial leasing portfolio in the first quarter of 2023, representing an increase of 114 per cent from the same period in 2022. This achievement is attributed to recognising the gain on sale of Namshi of AED 700 million (US\$ 191 million) and improved operational profitability complimented by high levels of tenant sales which grew by around 30 per cent compared to Q1 2022. Prime mall assets managed by Emaar Malls Management have reported an occupancy rate of over 95 per cent.

## **Hospitality, Leisure, and Entertainment**

Emaar's hospitality, leisure and entertainment businesses recorded a revenue of AED 884 million (US\$ 241 million) in Q1 2023, reflecting a growth of 17 per cent compared to Q1 2022. This performance was the result of the continuing rebound in tourism and high domestic spending. The hotels in UAE under the Hospitality arm of Emaar, including managed hotels, achieved average occupancy of 75 per cent during the first quarter of 2023.

Emaar's diversified portfolio of recurring revenue-generating businesses, including malls, hospitality, leisure, entertainment, and leasing, collectively recorded AED 2.3 billion (US\$ 629 million) in revenue during Q1 2023, representing an increase of 11 per cent compared to Q1 2022. Revenues from these businesses constitute 37% of Emaar's overall revenue.

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## **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 of 1.7 billion sq. ft. in the UAE and key international markets.

With a proven track-record in delivery, Emaar has delivered over 94,000 residential units in Dubai and other global markets since 2002. Emaar has strong recurring revenue-generating assets with over 1,300,000 square meters of leasing revenue-generating assets and 37 hotels and resorts with 8,134 rooms (includes owned as well as managed hotels). Today, 37 percent of Emaar's revenue is from its shopping malls & retail, hospitality & leisure and international subsidiaries.

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

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**EMAAR PROPERTIES PJSC**  
**Consolidated Income Statement**

(AED Millions)

For the period ended	
31 Mar 2023	31 Mar 2022

	Unaudited	Unaudited	% change
<b>Revenue</b>	<b>6,290</b>	<b>6,635</b>	<b>(5%)</b>
Cost of revenues	(2,787)	(3,240)	14%
<b>Gross Profit</b>	<b>3,503</b>	<b>3,395</b>	<b>3%</b>
Selling, marketing, general & administration and other expenses	(666)	(659)	(1%)
Other income, net	1,216	403	202%
Share of results from associates and joint ventures	(53)	38	(239%)
<b>EBITDA</b>	<b>4,000</b>	<b>3,177</b>	<b>26%</b>
Depreciation and amortisation	(352)	(349)	(1%)
Finance income / (expense), net	31	(126)	125%
Income tax expenses	(65)	(48)	(35%)
Minority interest	(408)	(415)	2%
<b>Net profit for the period</b>	<b>3,206</b>	<b>2,239</b>	<b>43%</b>
<b>Earnings per share (AED)</b>	<b>0.36</b>	<b>0.27</b>	<b>33%</b>

Mohamed Alabbar.....

Date:-