

# EMAAR

## Press Release

### **Emaar Reports a 15% Net Profit Growth in H1 2023 and Group Property Sales of AED 20.2 billion (US\$ 5.5 billion)**

- *Emaar's property sales backlog reaches AED 62.8 billion (US\$ 17.1 billion), set to boost future revenue.*
- *Recurring revenue records growth of 11% in H1 2023, supported by increased tenant sales and robust tourism recovery.*
- *S&P, Moody's, and Fitch upgraded Emaar's Credit Ratings to BBB, Baa2 and BBB, respectively, with a stable outlook.*

**Dubai, United Arab Emirates – 10th August 2023:** Emaar Properties PJSC (DFM: EMAAR) has released its financial results for the first half of 2023, showcasing consistent performance and operational efficiency across its various businesses.

#### **Key Accomplishment Highlights**

Emaar's recorded half-year 2023 revenues of AED 12.3 billion (US\$ 3.3 billion) with net profit growing by 15% compared to same period last year, reaching to AED 4.9 billion (US\$ 1.3 billion). The consistent performance was driven by the growth in tourism, retail sales, and sustained real estate demand in Dubai. Emaar's focus on improving profit margins and operational efficiencies resulted in achieving higher EBITDA, which grew by 5% to AED 6.4 billion (US\$ 1.7 billion) compared to H1 2022.

Emaar achieved H1 2023 group property sales of AED 20.2 billion (US\$ 5.5 billion), a 14% YoY growth. Supported by incremental property sales, the company's revenue backlog from property sales reached AED 62.8 billion (US\$ 17.1 billion) as of 30th June 2023. This backlog represents future revenue from property sales to be recognised over the next few years.

During the period, Emaar has received credit rating upgrades from major rating agencies S&P (BBB), Moody's (Baa2) and Fitch (BBB), all with a stable outlook. These upgrades reflect Emaar's financial performance and improved financial position. Overall, these positive indicators point to a better outlook for Emaar's future.

Mohamed Alabbar, Founder of Emaar, said: "*Emaar's recent performance reflects our ongoing commitment to sustained profitable growth and in our focus on meeting the needs of our loyal and new customers. Our investments have resulted in strong returns, driving our growth and improving our operations. We are confident in our ability to continue executing our business strategy and meeting customer demand as we move forward in the year.*"

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

Emaar Development PJSC (DFM: EMAARDEV), a majority-owned subsidiary, achieved property sales of AED 19 billion (US\$ 5.2 billion) during the first half of 2023, reflecting a growth of 25% over H1 2022. UAE build-to-sell operation reported H1 2023 revenue of AED 6.3 billion (US\$ 1.7 billion) and successfully launched 16 new projects in the UAE. In June 2023, Emaar Development also unveiled yet another master-planned development, "The Oasis", a luxury lifestyle destination.

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

In H1 2023, Emaar's shopping mall, retail, and commercial leasing operations reported an 8% growth in revenue compared to the previous year, reaching AED 3.1 billion (US\$ 844 million). During the same period, the portfolio yielded an EBITDA of AED 3.2 billion (US\$ 871 million), a 77% increase over H1 2022. This success is credited to robust tenant sales, which rose by approximately 30% compared to H1 2022. Emaar Malls Management's prime mall assets achieved an impressive occupancy rate of approximately 96%.

## **Emaar International**

Emaar's international real estate operations reported property sales of AED 1.2 billion (US\$ 327 million) and revenues totaling AED 1.3 billion (US\$ 354 million) during the first half of 2023. Primarily driven by operations in Egypt and India, revenues from international real estate operations represent 11% of Emaar's total revenue.

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

In the first half of 2023, Emaar's hospitality, leisure, and entertainment divisions generated AED 1.6 billion (US\$ 436 million) in revenue, marking an 18% increase from H1 2022. The growth was driven by the steady recovery in the tourism industry and strong domestic spending. Emaar's UAE hotels, including those under management, reported an average occupancy rate of 70% in the first half of 2023. During the period, Emaar also announced the opening of its newest hotel, Address Jabal Omar Makkah, featuring around 1,500 keys and conveniently located at the heart of the holy city.

## **Recurring Revenue**

Emaar's H1 2023 financial results show an 11% increase in recurring revenue compared to H1 2022. The company's recurring revenue-generating portfolio, including malls, hospitality, leisure, entertainment, and commercial leasing, collectively generated AED 4.7 billion (US\$ 1.3 billion) during H1 2023. This revenue represents 38% of Emaar's total revenue from these businesses.

**-Ends-**

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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 100,000 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 38 hotels and resorts with over 9,600 rooms (includes owned as well as managed hotels). Today, 49 percent of Emaar's revenue is from its shopping malls & retail, hospitality, leisure, entertainment, commercial leasing, and international businesses.

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		% change
	30 Jun 2023	30 Jun 2022	
	Unaudited	Unaudited	
<b>Revenue</b>	<b>12,268</b>	<b>13,575</b>	<b>(10%)</b>
Cost of revenues	(5,499)	(6,744)	18%
<b>Gross Profit</b>	<b>6,769</b>	<b>6,831</b>	<b>(1%)</b>
Selling, marketing, general & administration and other expenses	(1,287)	(1,372)	6%
Other income, net	919	485	89%
Share of results from associates and joint ventures	4	168	(98%)
<b>EBITDA</b>	<b>6,405</b>	<b>6,112</b>	<b>5%</b>
Depreciation and Amortisation	(728)	(709)	(3%)
Finance income / (expense), net	167	(168)	199%
Income tax expenses	(96)	(128)	25%
Minority interest	(802)	(807)	1%
<b>Net profit for the period</b>	<b>4,946</b>	<b>4,300</b>	<b>15%</b>
<b>Earnings per share (AED)</b>	<b>0.56</b>	<b>0.53</b>	<b>6%</b>

Mohamed Alabbar.....

Date:-