

EMAAR

For immediate release

Emaar Properties records revenue of AED 9.032 billion (US\$ 2.459 billion) and net profit of AED 2.007 billion (US\$ 546 million) in first half of 2020 amidst volatile market

- *UAE property sales reached AED 3.236 billion (US\$ 881 million) in H1 2020*
- *The Group now has a total sales backlog of AED 41.753 billion (US\$ 11.368 billion) to be recognised as revenue in the coming years*
- *Mohamed Alabbar highlights a series of strategic steps Emaar has taken to mitigate the impact of COVID-19*

Dubai, United Arab Emirates – August 12, 2020: Emaar Properties PJSC (DFM: EMAAR), demonstrated a resilient performance in H1 2020 by recording revenue of AED 9.032 billion (US\$ 2.459 billion) across its assets in the first half of the year (January-June) and net profit of AED 2.007 billion (US\$ 546 million), despite the impact brought to bear by the COVID-19 pandemic on the global economy. Emaar delivered half-yearly property sales of AED 5.120 billion (US\$ 1.394 billion). In line with the UAE's globally acclaimed strategies in combating the pandemic, Emaar Properties' half-yearly performance was underpinned by the company's ongoing investment in innovation and digitalisation across its businesses.

Mohamed Alabbar, Founder of Emaar, reaffirmed Emaar's resilience during the unprecedented times: "Our performance in the first half of 2020 has demonstrated our fundamental ability to retain strength and act with agility and speed in the face of the challenges presented by Covid-19. Emaar's performance is a testament to the products we introduce and the people behind these innovations. Each year we set the bar higher, raising the expectations across all our businesses to ensure every Emaar touchpoint is met with the same standard of excellence".

"We've placed an even greater emphasis on being a lean organisation and, through our geographical expansion, we have been able to deliver a solid performance. By acting boldly, innovating, revisiting our talent and retaining cash liquidity, I truly believe we have delivered a strong result despite the many challenges we faced. As the world emerges from Covid-19, I am confident that we will use our strength, talent and business diversity, that we have focused even more intensively on during these challenging times, to face the future stronger than ever." he added.

Key Performance Highlight

Emaar amplified its already strict health and safety regulations across its assets, increased strength in serving its communities and introduced new innovative ways of staying connected to its customers. Initiatives that were introduced to enhance the experience of Emaar include the launch of the new Emaar Properties website (emaar.com), direct online booking on emaar.com, alongside numerous initiatives and offers on the Emaar One app. Additionally, Emaar disrupted the market with several innovative features that allowed customers to connect with Emaar directly.

Among these are Emaar Virtual Assistant, a new brokers' app – MyEmaar, the Interactive Map feature, and 360 Virtual Tour tours across Emaar communities and properties on emaar.com. The company's most recently launched service, Emaar One on the Go, delivers an unparalleled personalised range of services direct to the customer's own home and within their community. Further, Emaar has also provided an

additional online sales channel to its retailers during these challenging times by opening a virtual store on noon.com.

Emaar Development

In H1 2020, Emaar Development PJSC (DFM: EMAARDEV), reported revenue of AED 4.818 billion (US\$ 1.312 billion) with half-yearly net profit of AED 1.036 billion (US\$ 282 million).

Emaar Development remains committed to its projects' delivery timeframes. As of June 2020, Emaar's delivery track record includes more than 64,700 residential units in Dubai and other international markets, with over 43,500 units delivered in the UAE. Over 29,000 residences are currently being developed in the UAE, alongside 11,000 units across international markets.

Emaar now has a total sales backlog of AED 41.753 billion (US\$ 11.368 billion) of which AED 29.569 billion (US\$ 8.050 billion) is in the UAE, to be recognised as revenue in the coming years.

Emaar Malls and other businesses:

Emaar Malls (DFM: EMAARMALLS), majority-owned by Emaar Properties (DFM: EMAAR), reported revenue of AED 1.657 billion (US\$ 451 million) in the first half of 2020. With a first-half net profit of AED 345 million (US\$ 94 million), the result was bolstered by a strong start to the year, demonstrating the resilience of the business and its underlying fundamentals.

Emaar Malls continued its path of omnichannel expansion with a significant contribution to its revenue performance achieved through Namshi, which was fully acquired by Emaar in 2019. The regional e-commerce fashion and lifestyle platform recorded overall revenue of AED 664 million (US\$ 181 million) in H1 2020, 57 per cent higher than the same period last year.

Emaar's hospitality & leisure, entertainment and commercial leasing business contributed AED 831 million (US\$ 226 million) to the total revenue. Along with Emaar Malls, these businesses posted a revenue of AED 2.488 billion (US\$ 677 million), representing 28 per cent of Emaar's total revenue.

Emaar International

Emaar's international property development recorded half-yearly revenue of AED 1.726 billion (US\$ 470 million), similar to the revenues recorded during the same period last year. As of today, Emaar International contributes 19 per cent to Emaar total revenue. The results were underpinned by continued successful operations in Egypt and Pakistan, including the launches of Cairo Gate mixed-use development and Panorama tower in Karachi.

Visit emaar.com/en/investor-relations for more information.

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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 64,700 residential units in Dubai and other global markets since 2002. Emaar has strong recurring revenue-generating assets with over 880,000 square metres of leasing revenue-generating assets and 23 hotels and resorts with 5,264 rooms (includes owned as well as managed hotels). Today, 46 per cent of the Emaar's revenue is from its shopping malls & retail, hospitality & leisure and international subsidiaries.

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

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EMAAR PROPERTIES PJSC
Consolidated Income Statement

(AED Millions)

For the period ended	
30 Jun 2020	30 Jun 2019

	Unaudited	Unaudited	% change
Revenue	9,032	11,569	(22%)
Cost of revenues	(5,270)	(5,854)	10%
Gross Profit	<u>3,762</u>	<u>5,715</u>	(34%)
Selling, marketing, general & administration expenses	(2,046)	(2,165)	5%
Other income	933	629	48%
Share of results from associated companies	(286)	(58)	(393%)
Income tax credit / (expense)	142	(34)	518%
Minority interest	(498)	(977)	49%
Net profit for the period	<u>2,007</u>	<u>3,110</u>	(35%)
Earnings per share (AED)	0.28	0.43	(35%)

Mohamed Alabbar.....

Date:-

