



Emaar Malls PJSC

Leading Owner and Operator of Dominant Retail Assets

Investor Presentation
April 2019

Disclaimer



Emaar Malls PJSC gives notice that: The particulars of this presentation do not constitute any part of an offer or a contract.

Given that the presentation contains information based on forecasts and roll outs, all statements contained in this presentation are made without responsibility on the part of Emaar Malls PJSC, their advisors, or members of Emaar Group (including their directors, officers and employees).

None of the statements contained in this presentation is to be relied upon as a statement or representation of fact.

All parties must satisfy themselves as to the correctness of each of the statements contained in this presentation.

Emaar Malls PJSC and members of the Emaar Group do not make or give, and neither members of the Emaar Group nor any of their directors or officers or persons in their employment or advisors has any authority to make or give, any representation or warranty whatsoever in relation to this presentation.

This presentation may not be stored, copied, distributed, transmitted, retransmitted or reproduced, in whole or in part, in any form or medium without the permission of Emaar Malls PJSC.



Discussion Summary

- ☀ Investment Rationale
- ☀ Business Overview
- ☀ Business Strategy & Outlook
- ☀ FY & Q4 2018 Results Update
- ☀ Annexure

A nighttime photograph of a modern waterfront development. In the foreground, a circular carousel is illuminated with warm lights. To the right, a multi-story building with a curved facade features large glass windows and balconies, some of which are lit up. The building's ground floor has several storefronts with illuminated signs. In the background, a tall, slender skyscraper is brightly lit, and other high-rise buildings are visible along the waterfront. The water in the foreground reflects the city lights. The overall scene is vibrant and modern.

Investment Rationale

Emaar Malls at a Glance



**Owns & Operates 36³ Retail Assets
with GLA of 6.7 Mn sq. ft.**

**High Operating Margin
EBITDA Margin² – 81.5%**

**Owner of The Dubai Mall –
Most Visited Mall in the World**

**136 Mn Footfalls (CAGR¹ 5%)
93% Occupancy Rate**



**Gross Rental Income
AED 3,599 Mn (CAGR¹ 8%)**

**Omnichannel Presence through Namshi
Revenues 50% CAGR¹
NMV 52% CAGR¹**

Strong Performance Track Record

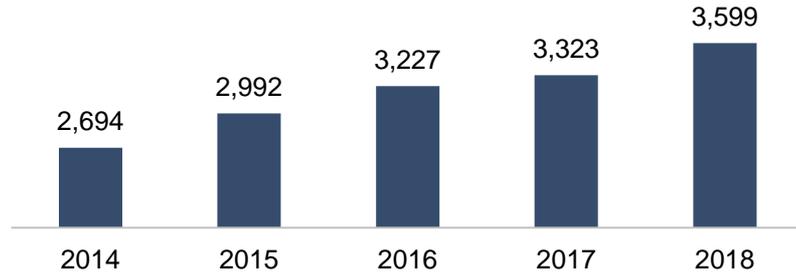


Emaar Malls Delivered Consistent Growth in Challenging Market Environment over 2014 to 2018

Rental Income

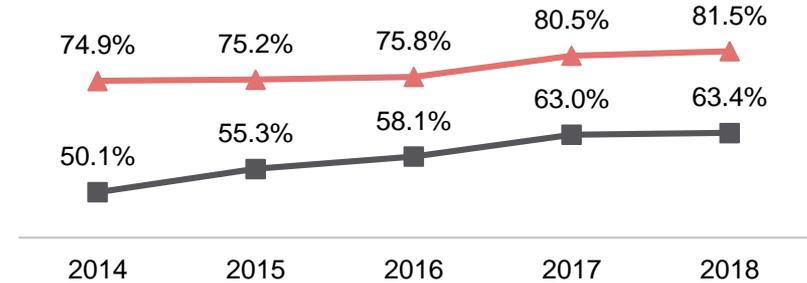
In AED Mn

CAGR 8%

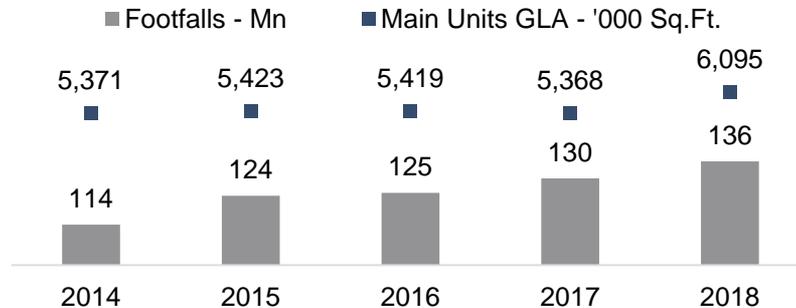


EBITDA & PAT Margin % ¹

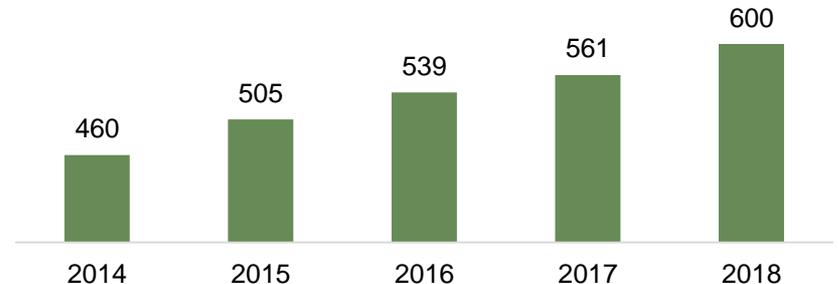
EBITDA CAGR 10% PAT CAGR 14%



Robust Growth in Footfalls...



Along with Steady Increase in Avg. Rent psf. (AED)



Consistently Outperformed the Retail Market

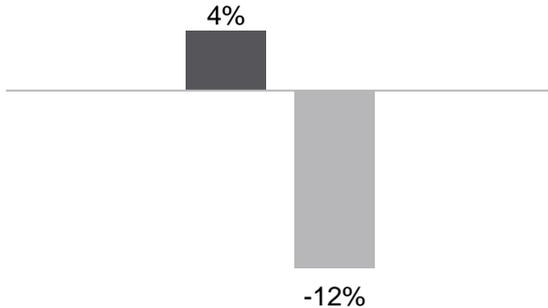
Emaar Malls Outperformed Dubai Retail Market over 2017-2018

Retailer’s Flight to Quality - Emaar Malls are the top choice for retailers in a difficult environment

- ✓ Well-established presence, superior positioning, strong footfalls
- ✓ Benefits of Emaar’s integrated master developments – protection, convenience and proximity

Super Regional Malls

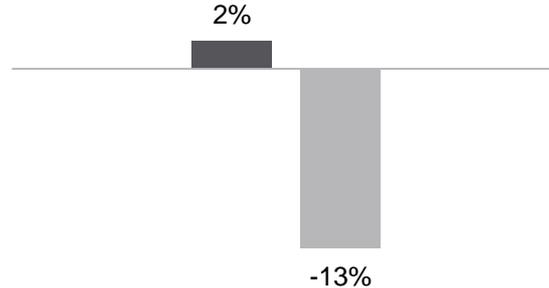
Rent per sq. ft.: 2-Yr CAGR



■ Emaar ■ Dubai Retail Market¹

Regional Malls

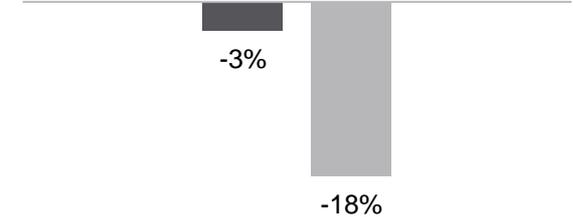
Rent per sq. ft.: 2-Yr CAGR



■ Emaar ■ Dubai Retail Market¹

Specialty Retail & Community Centres

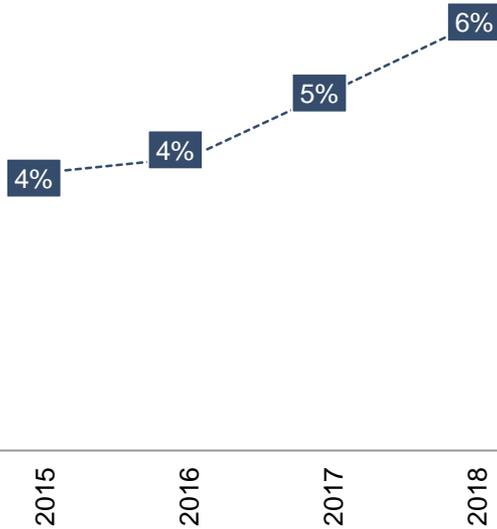
Rent per sq. ft.: 2-Yr CAGR



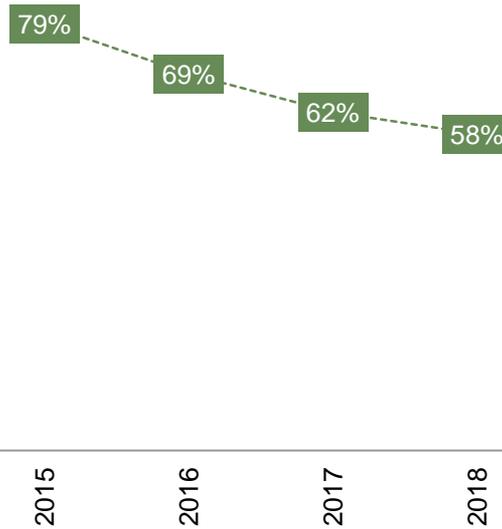
■ Emaar ■ Dubai Retail Market¹

Healthy Dividend Payout

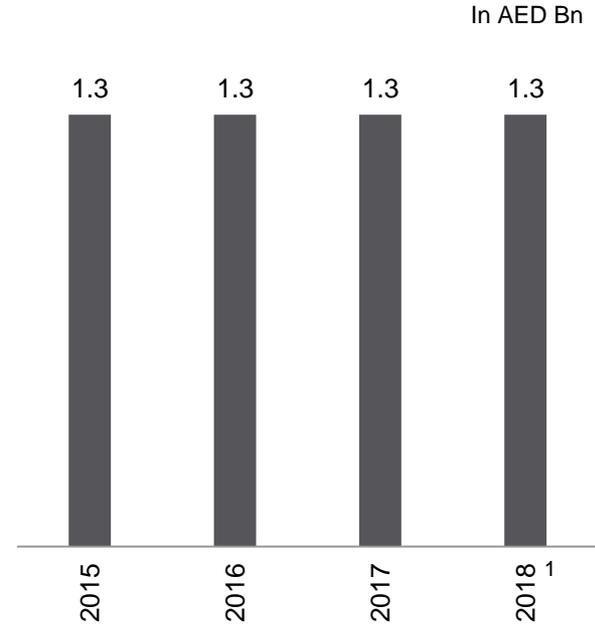
Strong Track Record and Proven Expertise To Generate Healthy, Predictable And Sustainable Returns



Attractive Dividend Yield



Robust Dividend Payout Ratio



AED 5.2 Bn Cumulative Dividends declared over 2015-2018

Comfortable Leverage and Credit Profile



Solid Credit Profile with very Comfortable Leverage and Significant Debt Coverage

AED Million	Dec 2017	Dec 2018
Debt	7,306	3,924
Cash	3,210	266
Net Debt	4,096	3,658
Equity	16,526	17,408
Total Assets	26,428	24,132
NAV (Fair Value)	48,388	48,156

Key Ratios	Dec 2017	Dec 2018
Debt / NAV	0.15	0.08
Debt / Equity	0.44	0.23
Debt / Total Assets	0.28	0.16
Net Debt / EBITDA	1.53	1.27
EBITDA / Interest ¹	9.33	8.91

Available Undrawn Facility as on Dec-18:

- USD 1.7 Bn (AED 6.2 Bn)

Debt Maturity (Borrowing Cost %):

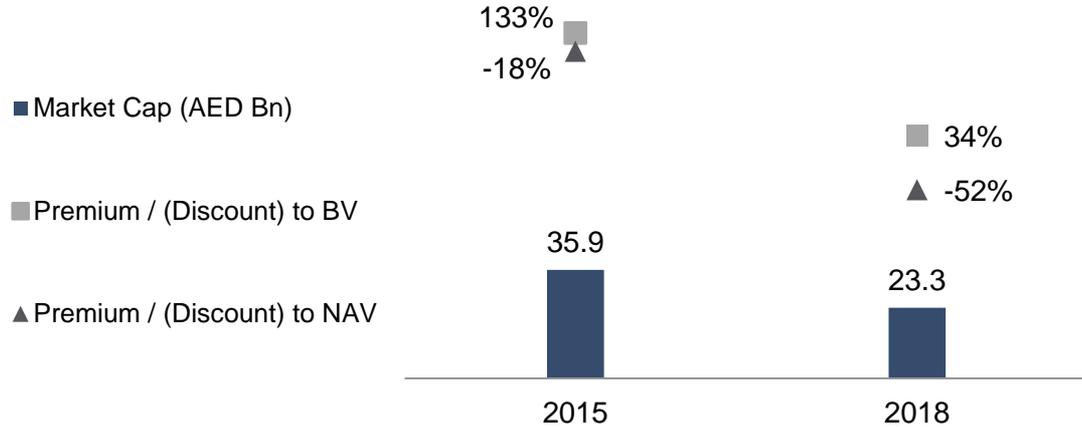
- 3- Year RCF: obtained in Dec-18; Borrowing Rate: 3M LIBOR + 1.25%
- Sukuk: maturing in June 2024; Borrowing Rate: 4.564%

Credit rating:

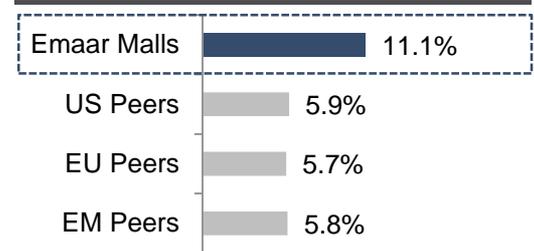
- BBB- / Baa2

Best-in-Class Retail Assets, Trading at Discount to NAV

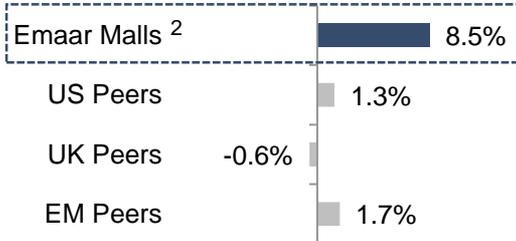
Emaar Malls is Trading at Significant Discount to its NAV despite Superior Financial Metrics



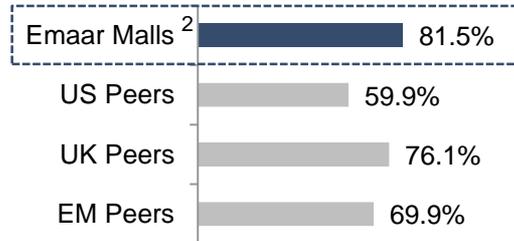
2019 Implied Cap Rate ^{1,3}



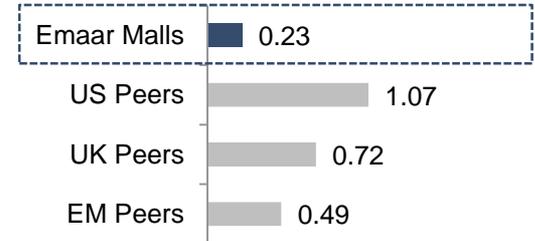
5-Year Revenue CAGR ¹



EBITDA Margin % ¹



Leverage – Debt / Equity ¹





Business Overview

Preferred Gateway to Dubai's Consumerism for Aspiring Retailers and Brands

Diverse Retailing Formats with Superior Design & Architecture

- Super-regional malls, regional malls, specialty retail, community retail
- Cater to retailers & brands of different size, scale and offerings
- Differentiated mall design, efficient sizing and zoning
- Experienced property management

Strong Positioning & Established Presence

- Prime urban location, strong local market positioning, robust footfalls
- Mature catchment created by Emaar's integrated master developments
- Better connectivity and convenience
- Diverse category mix and tenant mix evolving with customer and retailer needs

Experiential Retailing Along with Leisure & Entertainment

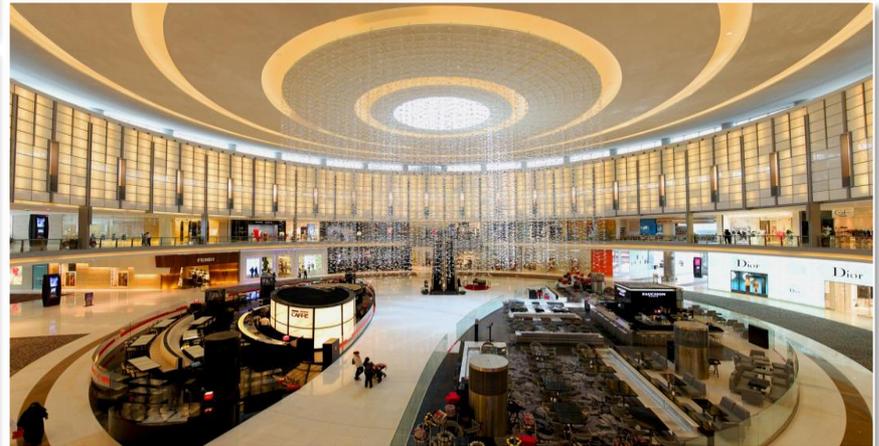
- Augmented retailing experience
- Wide range of choice across aspirational brands, product categories, F&B, leisure
- Diverse family & entertainment attractions
- Regular marketing / activation events to enhance customer engagement
- Ongoing upgradations in movie experience with platinum suite

Established Portfolio with Diverse Retailing Formats...



Retail Assets	Division	Total GLA ('000 sq. ft.)	Location & Catchment	Key Highlights
The Dubai Mall (Incl. FAE)	Super Regional Mall	4,263	<ul style="list-style-type: none"> Downtown Dubai – 500 acre flagship mega-development Situated next to Burj Khalifa 	<ul style="list-style-type: none"> World renowned shopping & entertainment destination 1,200+ stores, leading retailers, marquee global brands Major tourist attractions – At The Top, Dubai Aquarium & Underwater Zoo, KidZania, Reel Cinemas, VR Park, Ice Rink
Dubai Marina Mall (Incl. Pier 7)	Regional Mall	452	<ul style="list-style-type: none"> Dubai Marina – 1,500 acre master integrated development 	<ul style="list-style-type: none"> 140+ outlets, high street fashion brands, aspirational boutique fashion, 6-screen Reel Cinemas, 7-storey Gourmet Tower (Pier 7)
Souk Al Bahar	Speciality Retail	211	<ul style="list-style-type: none"> Situated next to the Dubai Fountain and Burj Khalifa 	<ul style="list-style-type: none"> Arabesque fine dining, shopping, entertainment experience
Gold & Diamond Park		529	<ul style="list-style-type: none"> Located on prime Sheikh Zayed Road 	<ul style="list-style-type: none"> Destination for world's finest gold & diamond jewellery & accessories
Other Centres (29 centres)	Community Integrated Retail	1,290	<ul style="list-style-type: none"> Emaar's residential developments 	<ul style="list-style-type: none"> Facilities and offerings for residents Neighbourhood venue for convenience shopping, dining and social interaction

...With an Appealing Design & Architecture



...Complemented by Fascinating Entertainment Avenues



At The Top

World's highest observation desk in Burj Khalifa



Dubai Aquarium & Underwater Zoo

Featuring world's largest acrylic viewing panels



VR Park

Largest virtual reality park - 75,000 sq. ft.



Kidzania

Children's edutainment centre



Reel Cinemas

Featuring UAE's largest 26-screen laser megaplex



Dubai Ice Rink

Olympic-sized ice-skating & events venue

Focus on Digitalisation for Enhanced Customer Service...

Digital Initiatives taken at The Dubai Mall –

- ✓ New app introduced in 2018
- ✓ Complimentary Delivery Service
- ✓ Leveraging customer data analytics to better understand customer buying behaviour, taste and preferences

THE DUBAI MALL APP FEATURES



YOU SHOP.
WE DELIVER.



Complimentary
Delivery Service*

Call 800-DUBAIMALL or enquire at The Dubai Mall Guest Services Desk for more details

THE
DUBAI MALL

...With Active Marketing Events for Better Customer Engagement



Emirates Skywards Miles Loyalty Program at The Dubai Mall

- Members – 100,000
- Spend captured since inception – AED 1,150 Mn
- Number of transactions since inception – 698,000
- Number of miles awarded since inception – 220 Mn

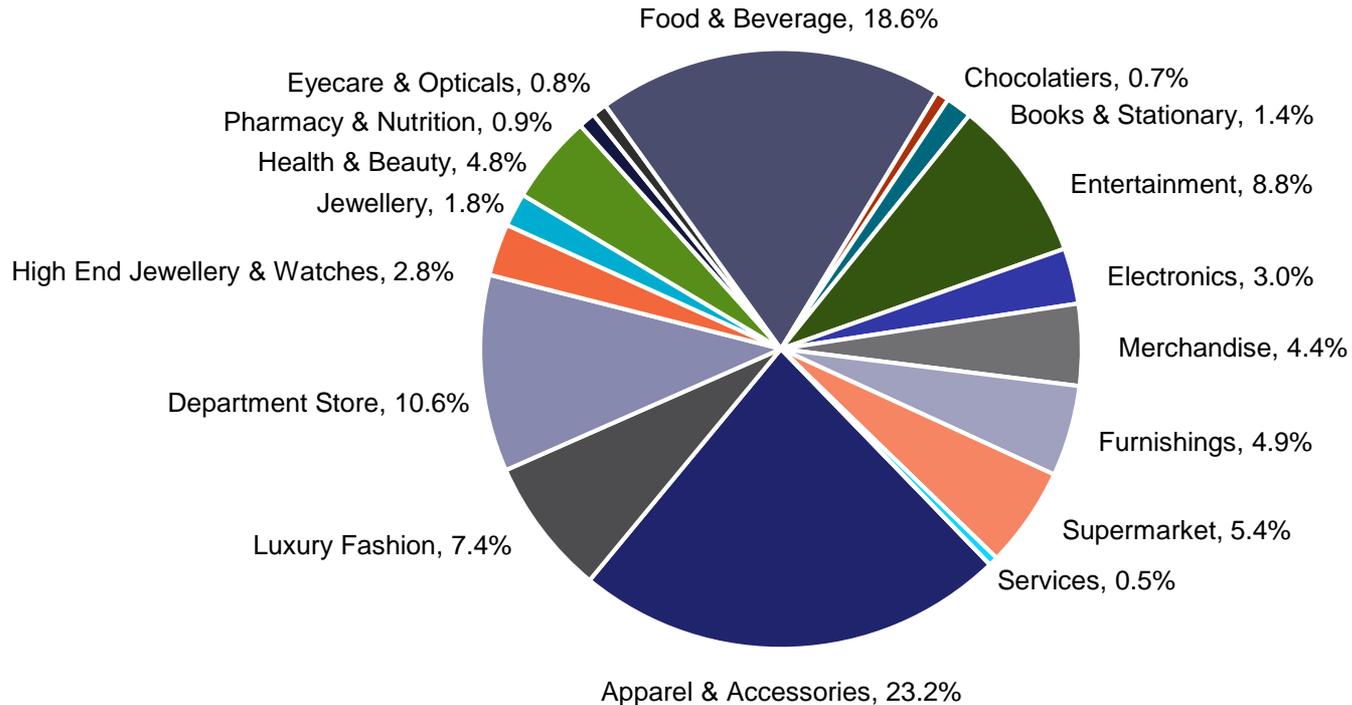


Diversified Tenant Mix & Category Mix...



Diverse Retailers And Marquee Brands With Many Having Exclusive Presence At Emaar Malls

Category Mix - % GLA



Active Tenant & Space Management with Healthy Lease Renewals...

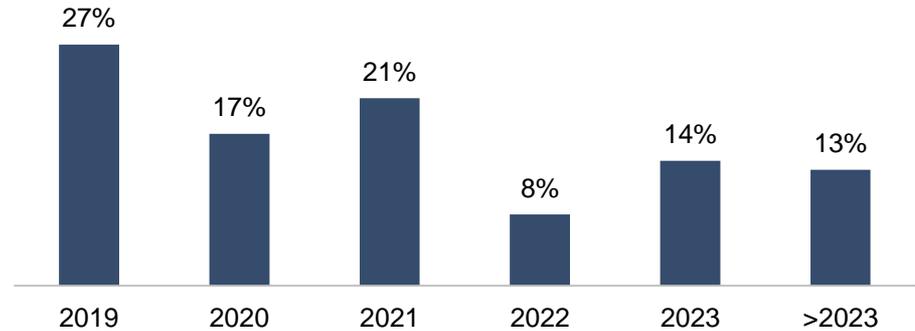


Active Tenant Management

- Meet changing retail trends and evolving consumer needs
- Offer innovative & fresh retail concepts
- Tenant re-zoning & re-sizing to maximise sales productivity
- Short lease terms (3-5 years) and significant waitlist allows flexibility in tenant management
- Favourable lease terms

Portfolio Lease Expiry Schedule

% GLA of main unit expiring leases

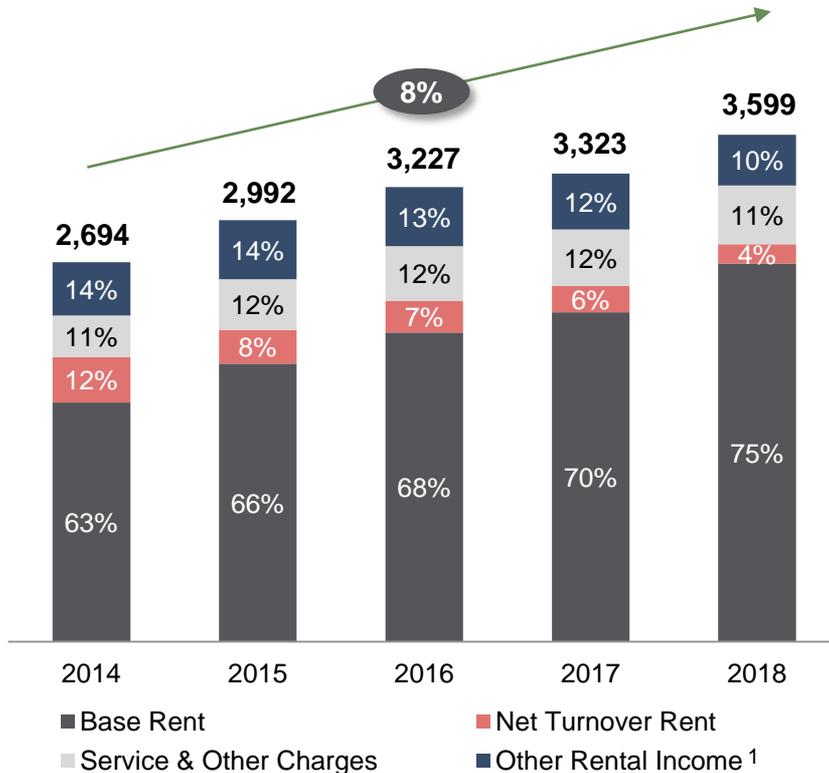


- Weighted average lease expiry term of 3 years
- 6.9% GLA renewed in 2018

...And Steady Rental Income Growth, High Operating Profitability



Steady Rental Income Growth



Robust Revenue Model

Revenue Model:

- Rent equals higher of base rent or turnover rent
- Base rent is increased at a pre-defined rate over the lease term of 3-5 years
- Once the turnover rent exceeds base rent, the base rent is reset at turnover rent level in the subsequent year
- Healthy waitlist results in higher rentals achieved on renewals

High operating margins:

- Efficient and low cost operations
- Continual improvement in operational excellence leading to over 80% EBITDA margin
- Negligible delays in collection from customers

Omni-channel Presence Through Namshi



Namshi Revenues ¹ (AED Mn)

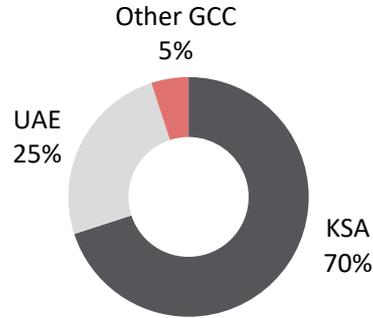
- Market leader in large & growing online fashion in core GCC markets
- Largest brand assortment with 634 brands and growing
- Preferred fashion channel, young & trendy
- High NPS (net promoter score)

Net Merchandise Value + 17%	Gross Profit + 5%
Active Customers² + 26%	Online Traffic + 9%
Number of Orders + 20%	Social Media Engagement + 22%

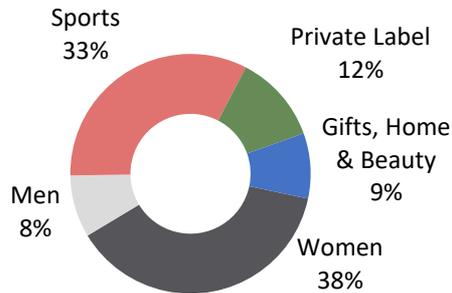
Omni-channel Presence Through Namshi (Contd.)



Geographical Mix

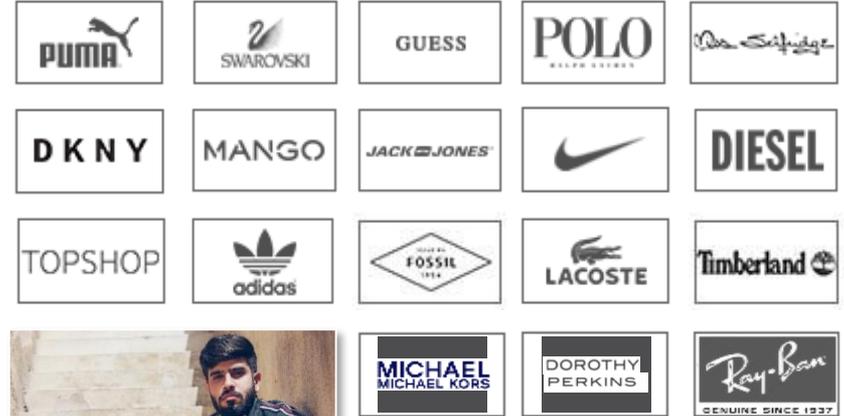


Category Mix



Unrivalled Product Assortment in Middle East

Prominent High Quality Fashion Brands



Growing White Label Portfolio



Sustainability Initiatives



Sustainability is an integral part of strategic and cultural transformation at Emaar Group
Commitment to a sustainable future is focussed on three initiatives addressing energy, water and waste



Our Sustainability Initiatives



Energy

- Preserving natural resources, reducing impact on environment, reducing greenhouse gas emissions, improving air quality & limiting global climate change



Water

- Ensuring responsible consumption of our water resources through use of efficient fixtures and fittings, sustainable landscaping, selection of native species, improved irrigation management and water efficient cleaning equipment



Waste

- Aligning the landfill diversion target with the Dubai Municipality
- Effectively implementing waste management process across the portfolio to create high quality segregated waste that could be utilized effectively in a circular economy



Business Strategy & Outlook

Multi-format Omni-channel Growth Strategy



Leverage Superior Asset Mix & Omni-channel Presence

- Offer diverse retailing experience - super-regional malls, regional malls, specialty retail, community retail centers
- Focus on constant innovations and improvements to deliver superior experiences
- Strengthen presence in existing catchments & categories
- Leverage Namshi platform to offer market extension opportunities, within UAE and across GCC region, to retailers
- Increase competitiveness and enhance customer convenience

Robust Retail Space Growth

- Well-planned extensions at The Dubai Mall to enhance customer experience
- Leverage Emaar master developments to expand community retail centres
- Grow our portfolio in local market with timely completion of upcoming retail assets
- **Asset-light strategy** – explore to operate third-party malls under management contracts in Dubai & GCC region

Adopt Low-Risk Model For Future Expansions



Operate As Pure Rental Income Play

- **Pure Rental Income Play**
 - Focus on rental income growth and cash flow generation
- **Minimal Development Risk**
 - Execute extensions & renovations at existing retail assets
 - Selectively add new community centres in Emaar master developments
- **New Expansions**
 - New retail assets to be developed by Emaar Properties (independently or through Joint Ventures)
 - Emaar Malls to selectively buy the retail assets post construction with significant GLA already leased out

Projects under Emaar Malls

Project Name	GLA ('000 sq.ft.)	Expected Opening
Meadows Village	c. 95	H2 2019
TDM Boulevard Expansion	c. 110	H2 2020

Other Projects being developed by Emaar Properties

Project Name	GLA ('000 sq.ft.)	Expected Opening
TDM - Fountain View Expansion	c.169	Q3 2019
TDM - Zabeel Expansion	c.150	Q3 2019
Emaar South Village ¹	c. 20	Q4 2019
Dubai Hills Mall ¹	c.2,000	Q1 2020
Dubai Expo Mall ^{1,2}	c.385	Q3 2020

New Expansions – Strong Growth Potential



Dubai Hills Mall – Regional Shopping Mall

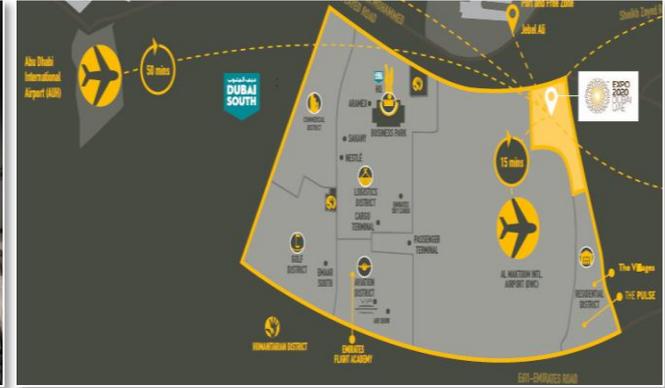
Superior Positioning & Offerings

- Outdoor high-street mall with superior design & architecture
- Differentiated offerings with over 750 retail outlets, wider F&B (>24% GLA), entertainment options, loyalty programs and less focus on fashion
- Ample parking with over 7,000 spaces
- Seamlessly integrated with adjacent neighbourhood, future metro stations and adjoining hotels

Strong Catchment

- Located between Sheikh Mohammad Bin Zayed Road and Al Khail Road
- Part of Dubai Hills Estate masterplan spanning over 118 Mn sq. ft. with over 2,000 villas and 20,000 apartments
- Proximity to other upcoming residential communities – Mohammed Bin Rashid City - District One, Akoya by Damac
- And existing communities – Emirates Living, Al Barari, Al Barsha, Al Quoz, Arabian Ranches

New Expansions – Strong Growth Potential



Dubai Expo Mall – Regional Shopping Mall

Superior Positioning & Offerings

- Over 190 retail & F&B outlets
- 1,000+ parking spaces
- Anchored by 9-screen Cinema, Family Entertainment and Hypermarket
- Excellent access & infrastructure to support the high volume of visitors

Strong Catchment

- Located close to Expo 2020 site
- Close proximity to Al Maktoum international airport
- Part of Emaar south masterplan, over 5,000 residential units in the immediate vicinity
- 400,000 residences within 8km distance from the mall
- Located near major highways – Sheikh Mohammad Bin Zayed Road, Expo Road, Jebel Ali Road; and Dubai Metro route 2020



**FY & Q4 2018
Results Update**

FY 2018 Key Highlights



Revenues
AED 4,446 Mn
+23% YoY

EBITDA
AED 2,890 Mn
+8% YoY

Net Profit
AED 2,230 Mn
+7% YoY

Footfalls
136 Mn
+5% YoY

Occupancy
93%

Namshi Revenues
AED 849 Mn
+15% YoY

**Namshi
Net Merchandise Value**
+17% YoY

Namshi Gross Profit
AED 207 Mn
+5% YoY

**AED 1,301 Mn Dividend
Proposed¹ for FY 2018**

Emaar Malls – Consolidated Result Highlights



AED Million	Emaar Malls	Namshi	Consolidated
Revenue	3,599	849	4,446
Cost of revenue	(440)	(642)	(1,082)
Gross profit	3,159	207	3,364
% Gross margin	87.8%	24.4%	75.7%
Sales, marketing, general & administration expenses	(273)	(251)	(522)
Gain on disposal of assets held for sale ¹	48	-	48
EBITDA	2,934	(44)	2,890
% EBITDA margin	81.5%	-5.2%	65.0%
Depreciation and amortisation	(440)	(3)	(455)
Finance costs - net	(213)	(2)	(235)
Net Profit	2,281	(49)	2,200
Minority interest	-	-	30
Net Profit After Minority Interest	2,281	(49)	2,230
% Profit margin	63.4%	-5.8%	50.2%

Emaar Malls – Consolidated Result Highlights



AED Million	Q4 2018	Q4 2017	% Change	2018	2017	% Change
Revenue	1,214	1,129	8%	4,446	3,629	23%
Cost of revenue	(304)	(260)	17%	(1,082)	(626)	73%
Gross profit	910	869	5%	3,364	3,003	12%
% Gross margin	75.0%	77.0%		75.7%	82.8%	
Sales, marketing, general & administration expenses	(156)	(139)	12%	(522)	(334)	56%
Gain on disposal of assets held for sale ¹	-	-	-	48	-	-
EBITDA	754	730	3%	2,890	2,669	8%
% EBITDA margin	62.1%	64.7%		65.0%	73.5%	
Depreciation and amortisation	(113)	(100)	13%	(455)	(379)	20%
Finance costs - net	(61)	(56)	9%	(235)	(210)	12%
Net Profit	580	574	1%	2,200	2,080	6%
Minority interest	11	5	120%	30	6	400%
Net Profit After Minority Interest	591	579	2%	2,230	2,086	7%
% Profit margin	48.7%	51.3%		50.2%	57.5%	

Emaar Malls Excl. Namshi – Consolidated Result Highlights

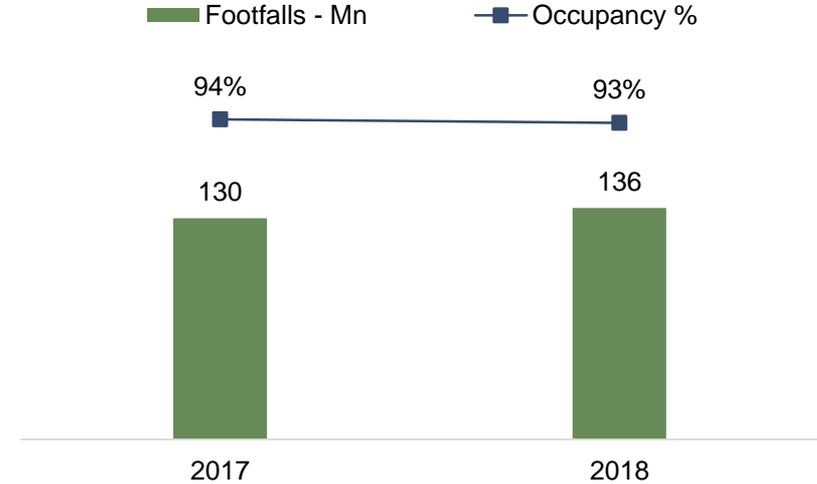
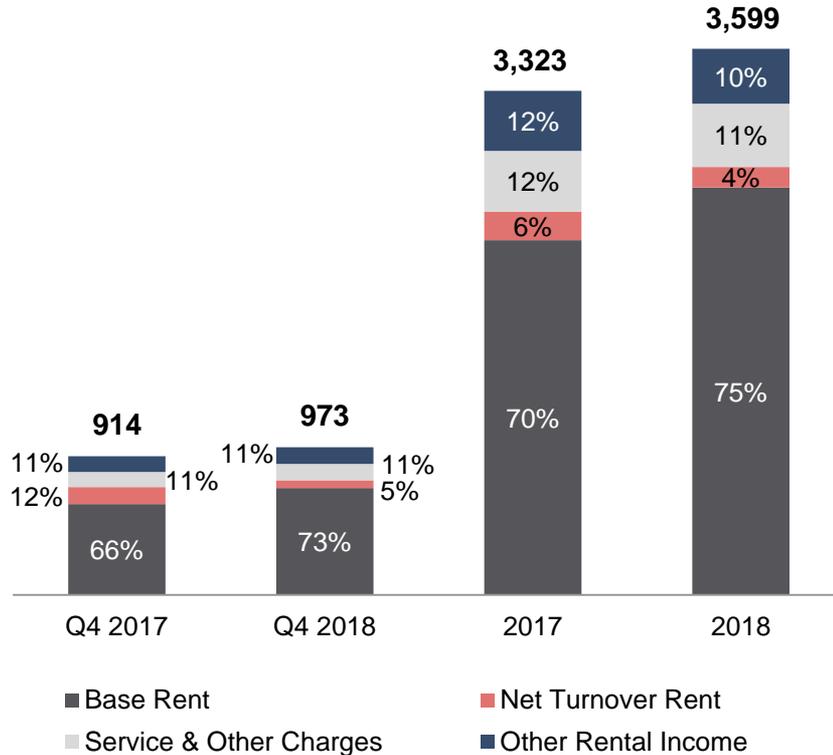


AED Million	Q4 2018	Q4 2017	% Change	2018	2017	% Change
Revenue	973	914	6%	3,599	3,323	8%
Cost of revenue	(104)	(104)	-	(440)	(406)	8%
Gross profit	869	810	7%	3,159	2,917	8%
% Gross margin	89.3%	88.6%		87.8%	87.8%	
Sales, marketing, general & administration expenses	(98)	(75)	31%	(273)	(241)	13%
Gain on disposal of assets held for sale ¹	-	-	-	48	-	-
EBITDA	771	735	5%	2,934	2,676	10%
% EBITDA margin	79.2%	80.4%		81.5%	80.5%	
Depreciation and amortisation	(108)	(95)	14%	(440)	(374)	18%
Finance costs - net	(55)	(56)	(2%)	(213)	(210)	1%
Net Profit	608	584	4%	2,281	2,092	9%
% Profit margin	62.5%	63.9%		63.4%	63.0%	

Emaar Malls Excl. Namshi – Consolidated Result Highlights



Rental Income Breakup (AED Mn)



Key Highlights

- Unveiled Fashion Avenue Expansion and Spring Souk, occupancy ramping up since launch
- Footfalls grew 5% YoY to 136 mn
- Tenant sales were stable on YoY basis

Emaar Malls – Consolidated Balance Sheet



AED Million	31-Dec-18		31-Dec-17	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets				
Property plant and equipment & Investment Properties	22,390	53,285	21,921	53,959
Intangible Assets	569	569	581	581
Bank balances and cash	266	266	3,210	3,210
Trade receivables	404	404	269	269
Other receivables	503	503	448	448
Total Assets	24,132	55,027	26,429	58,467
Liabilities				
Loans and borrowings	3,924	3,924	7,306	7,306
Advances from customers	1,200	1,200	1,325	1,325
Trade and other payables	1,599	1,599	1,271	1,271
Total Liabilities	6,723	6,723	9,902	9,902
Minority Interest	147	147	177	177
Net Asset Value	17,261	48,156	16,350	48,388
Number of Shares - millions	13,014	13,014	13,014	13,014
Net Asset Value Per Share	1.33	3.70	1.26	3.72

سوق الينابيع
THE SPRINGS SOUK

Annexure



Emaar Group Overview



UAE Development

- Leading master plan developer in Dubai
- JVs with GREs
- c. 35,700 residential units delivered since 2002
- Projects under construction substantially sold (~82% - Dec-18)
- 224.8 Mn sq. ft. of Land Bank in the UAE
- UAE build-to-sale business is led by Emaar Development PJSC, listed on DFM since November 2017



International Operations

- Active in 10 targeted high growth countries
- JVs with strong local partners
- c.16,000 residential units delivered since 2006
- Achieved overall sales level of 87%
- c. 1.4 Bn sq. ft. of Land Bank in key countries
- Emaar Misr is listed on the Egyptian Exchange since July 2015
- Opened Emaar Square Mall at Turkey with 1.6 mn sq. ft. GLA



Emaar Malls

- Emaar Malls PJSC is listed on DFM since October 2014
- Owner and operator of the most visited mall in the world, The Dubai Mall
- Portfolio of over 6.7 mn sq. ft of GLA in retail properties in Dubai



Emaar Hospitality

- Hotel owner and operator (19 hotels with over 3,900 keys)
- The Address, Vida, Armani and Manzil brands.
- Upscale affordable segment under Rove Hotels (JV with Meraas)
- Owner and operator of Dubai's iconic cultural destination "Dubai Opera"
- Marked historic milestone of 50 hotel projects in its portfolio (includes both in operation and under development hotels)



Entertainment & Leasing

- Provider of premium entertainment and manager of leisure assets
- Operator of the Dubai Aquarium, Underwater Zoo, Reel Cinemas, KidZania, VR Park, Dubai Ice Rink and At The Top.
- Portfolio of over 1.5 mn sq. ft. of GLA in commercial properties in Dubai

Thank
You



EMAAR MALLS

Name – Abhay Singhvi
Email id - ASinghvi@emaar.ae

DICKENSON

DICKENSON IR

Name – Nilesh Dalvi / Mehul Mehta
Email id – emaar@dickensonworld.com