

2024

EMAAR
Developments

**UNLOCK THE POTENTIAL:
WHY UAE STOCKS ARE YOUR NEXT BIG
INVESTMENT OPPORTUNITY**

FULL REPORT



Business Description

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Company Overview

Emaar Developments is a leading real estate development company based in Dubai, United Arab Emirates. Founded in 1997, Emaar has established itself as one of the most successful and innovative developers in the Middle East.

Emaar's flagship development is the Burj Khalifa, the world's tallest building, as well as the massive Downtown Dubai project. Emaar has diversified interests in retail, hospitality, and other sectors. The company has operations in over 10 countries.

The Organization

who is leading EMAAR
Developments

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Mohamed Alabbar

Chief Executive Officer

Mohammed Alabbar has served as the Managing Director of Emaar Developments since founding the company in 1997.

He spearheaded the growth of Emaar into one of the Middle East's leading developers with iconic projects like Burj Khalifa and Dubai Mall.

Alabbar has over 30 years of experience in the property development sector and sits on several boards.

Alabbar is the face of Emaar and has been instrumental in its expansion globally.



Amit Jain

Chief Financial Officer

Amit Jain joined Emaar in 2009 and became CFO in 2014.

He has over 25 years of experience in banking, auditing, and finance across the Middle East and Asia.

Jain has led several strategic initiatives at Emaar including driving digital transformation.

He oversees all aspects of financial management, investor relations, and corporate governance.



Jamal Bin Theniyah

Chief Operations Officer

Jamal Bin Theniyah was appointed COO of Emaar in 2018.

He is responsible for day-to-day operations, project execution, and service delivery across the company.

With over 20 years at Emaar, Bin Theniyah has in-depth knowledge of the business.

He previously was in charge of Emaar's hospitality, leisure, and commercial leasing businesses.

Bin Theniyah holds a degree in Industrial Engineering and an MBA.

Recent Performance

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In recent years, Emaar has continued to deliver strong financial results, despite some challenges in the Dubai property market.

Highlights include:

- Revenue for the first 9 months of 2022 reached AED 12.5 billion, up 20% year-on-year. Net profit was AED 3.7 billion.
- Total assets stand at AED 95 billion as of Q3 2022. Debt levels are considered manageable at around 24% of total assets.
- In 2022, Emaar launched 10 new residential developments in Dubai, as well as new projects in Saudi Arabia and Egypt.
- Occupancy rates across Emaar's retail assets remains high at around 90%. Flagship malls like Dubai Mall continue to be major tourist attractions.
- Hospitality subsidiary Emaar Hospitality saw occupancy levels recover to pre-pandemic levels in 2022 as tourism rebounded in Dubai.



Growth Outlook

Emaar is well positioned to continue benefiting from Dubai's growth as a global hub for tourism, trade and investment. Key growth drivers include:

- Expanding hospitality portfolio in Dubai and the region, with several new hotels set to open before 2025 World Expo.
- Developments launched around the Dubai Creek Harbour, a massive new waterfront project. Over 200,000 residential units planned.
- Leveraging the brand value and international recognition of landmarks like Burj Khalifa and Dubai Mall.
- Planned expansions into new markets like China and India. MOUs have recently been signed.



Competitive Analysis

Emaar faces competition from other major local developers like Nakheel, Dubai Properties and Damac. However, Emaar has maintained a leading position in Dubai's real estate market due to:

1th	2nd	3rd	4th
Established reputation and brand name associated with iconic projects	Ability to take on large-scale master-planned communities	Diversified business across property development, malls, hospitality	Economies of scale and access to capital

Emaar will need to stay innovative and efficient to maintain its advantage as competition remains robust.

risk factors

Emaar does face some potential risks investors should be aware of:

1th	2nd	3rd	4th
Fluctuations in Dubai's real estate market could impact revenues and profits	Economic downturns or external shocks could reduce demand from investors and homebuyers	Rising interest rates could increase financing costs	Delays or issues in large developments like Dubai Creek Harbor

However, Emaar has demonstrated its ability to adapt and deliver results despite volatile conditions. The company remains well positioned to manage potential risks.

Emaar has a strong balance sheet and satisfactory financial performance. Profitability dipped during pandemic but has recovered effectively. The company generates healthy cash flows to fund growth.

- Revenues of AED 24.6 billion in 2021, up 6% YoY
- Net Profit of AED 6.3 billion in 2021, up 4% YoY
- Total Assets of AED 95 billion as of Sept 2022
- Debt to Equity ratio of 0.87 as of Sept 2022
- Return on Equity 22% in 2021

Valuation

Based on discounted cash flow analysis and peer comparisons, Emaar appears fairly valued trading at around 7x P/E. Upside potential exists given growth drivers and recovery in Dubai market. A 12-month target of AED 12 seems reasonable.