

# ***DAMAC***

LIVE THE LUXURY



9M 2023 Results

December 2023





## 1. DAMAC overview

*DAMAC overview – business model, the DAMAC distinction, value enhancing product extensions*

*Page 1 - 4*

*Portfolio overview*

*Page 5 - 10*

## 2. Rating developments

*DAMAC rating developments*

*Page 11*

## 3. Financial highlights, operating environment, and latest key financials

*Financial highlights*

*Page 12 - 14*

*Debt profile*

*Page 15*

*Latest financial statements*

*Page 16*

*Senior Management Team, Board of Directors, and Committees*

*Page 17 - 18*

*ESG*

*Page 19*

*Abbreviations*

*Page 20*

# 1. DAMAC overview





Headquarters in Dubai

70+ mn sq ft

Projects in progress and in planning

Saleable area

55+ mn sq ft

High-end mixed-use community and tower developments

DAMAC revenue 9M 2023

AED3,978 mn (US\$1,082 mn)

9M 2022: AED2,218 mn (US\$604 mn)

DAMAC net profit 9M 2023

AED2,063 mn (US\$561 mn)

9M 2022: AED613 mn (US\$167 mn)

Portfolio overview

Major presence in Dubai and nearby regions

Completed<sup>1</sup> units:

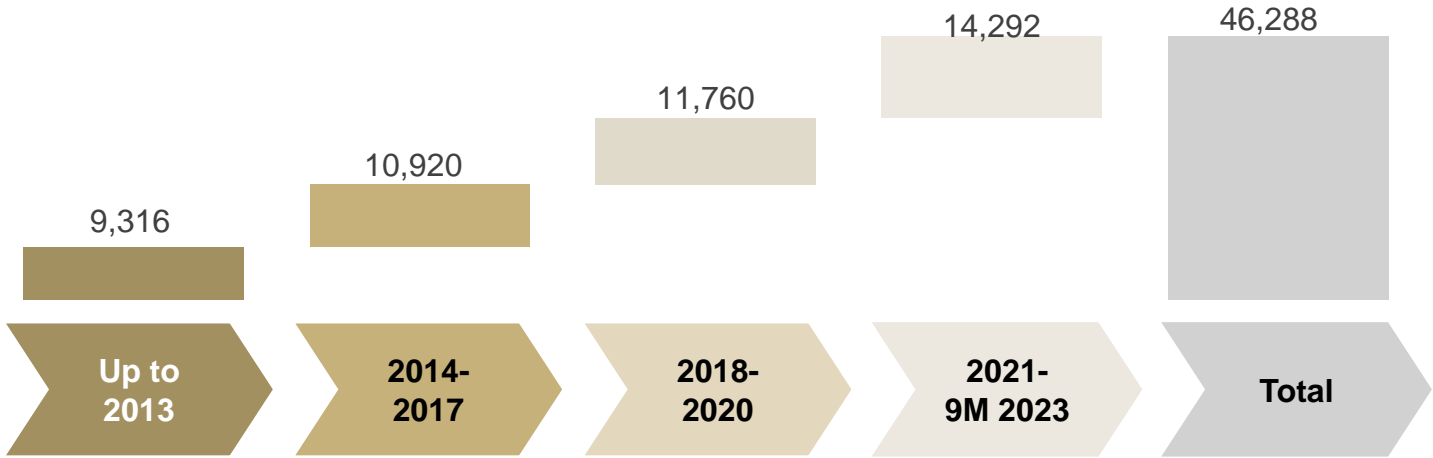
46,288

In-progress<sup>2</sup>, In-planning<sup>3</sup> projects

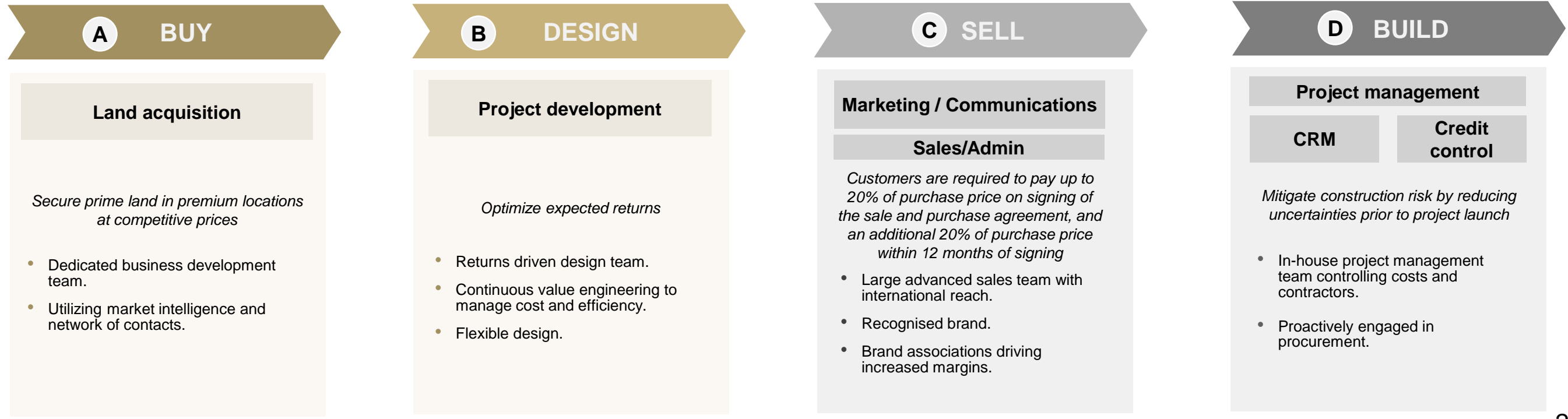
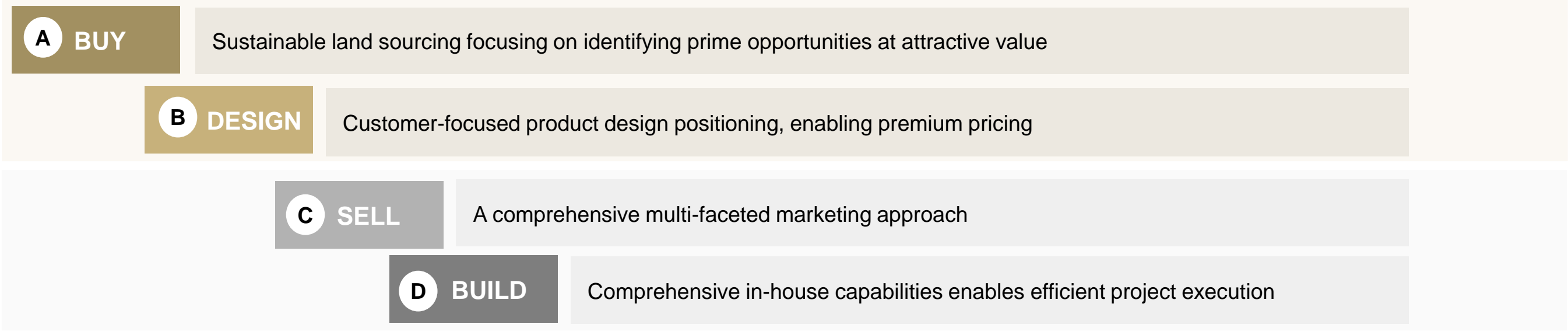
33,000+

Notes: 1. Completed units: units in projects with Building Completion Certificate (BCC) received as at 30 September 2023  
2. In-progress units: units in projects with enabling works started / consultant appointed as at 30 September 2023  
3. In-planning units: units in projects with no consultant appointed as at 30 September 2023

Strong delivery track record across economic cycle, units



# Our business model



# The DAMAC distinction



Quick cash-churn and aim for rapid monetization

High business margins

Disciplined land buying

Prudent capital structure with focus on debt management

## DAMAC

High project IRRs<sup>1</sup>

*Residential developments with mixed use components*

*Luxury serviced apartments, condo hotels and 5 star hotels*

*Luxury lifestyle master communities*

Brand tie ups (Versace, Paramount, Fendi, Trump, Cavalli, De Grisogono)

Customer-focused product design & positioning, enables premium pricing



In-house hospitality brand DAMAC Maison

Comprehensive in-house project management

Sizeable internal sales team and extensive global brokers network

c.33 k units under progress and planning

Experienced management team



## Residential focus ... with product line extensions



### Branded Residential

- Versace, Fendi, Trump, Cavalli, Just Cavalli, Paramount, de GRISOGONO

### Co-Branded Hotel Apartments and Villas

- Paramount Hotels and Resorts



### Branded Hotel Rooms

- Paramount Hotels and Resorts

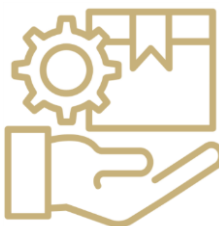
### DAMAC Hotels and Resorts

- DAMAC Maison



### Golf / Lifestyle Communities

- TRUMP Designs



ISO: 9001, ISO: 14001, ISO: 45001 certified LOAMS<sup>1</sup>

(supporting DAMAC's completed developments)

**Justcavalli**

**FENDI**  
CASA



**cavalli**



**T R U M P**  
THE TRUMP ORGANIZATION

de GRISOGONO  
GENEVE

# Major project portfolio in Dubai



## LEGEND

- |                     |                             |                               |                                       |                                   |                              |                         |                                   |
|---------------------|-----------------------------|-------------------------------|---------------------------------------|-----------------------------------|------------------------------|-------------------------|-----------------------------------|
| 1 DAMAC Suburbia    | 9 Smart Heights             | 17 DAMAC Majestine            | 25 The Residences at Business Central | 32 Madison Residences             | 39 Cavalli Tower             | 47 Green Park           | 55 Canal Heights by de Grisogono  |
| 2 Lake View         | 10 XL Tower                 | 18 DAMAC Maison Distinction   | 26 DAMAC Maison Canal Views           | 33 Lincoln Park                   | 40 Ghalia                    | 48 Rêva Residences      | 56 DAMAC Bay2 by Cavalli          |
| 3 Lake Terrace      | 11 Business Tower           | 19 Park Towers                | 27 DAMAC Towers by Paramount          | 34 DAMAC Hills 2                  | 41 Tower 108                 | 49 Vêra Residences      | 57 Canal Crown                    |
| 4 The Waves         | 12 AYKON City               | 20 Royal Golf Boutique Villas | Hotels & Resorts                      | 35 Safa One by de GRISOGONO       | 42 Tenora                    | 50 Zada Residences      | 58 Harbour Lights by de Grisogono |
| 5 Marina Terrace    | 13 Merano Tower             | 21 DAMAC Maison Mall Street   | 28 DAMAC Privé                        | 36 Emirates Gardens 1 & 2, Tuscan | 43 Celestia                  | 51 Chic Tower           | 59 Coral Reef                     |
| 6 DAMAC Heights     | 14 DAMAC Maison Cour Jardin | 22 Upper Crest                | 29 DAMAC Breeze                       | Residences 1 & 2                  | 44 The Crescent & Lago Vista | 52 Elegance Tower       | 60 VOLTA                          |
| 7 Ocean Heights     | 15 Bay's Edge               | 23 DAMAC Voleo                | 30 Park Central                       | 37 DAMAC Hills                    | 45 Safa Two by de GRISOGONO  | 53 Cavalli Couture      | 61 DAMAC Casa                     |
| 8 Executive Heights | 16 Paramount Tower          | 24 Avanti                     | 31 Executive Bay                      | 38 DAMAC Lagoons                  | 46 Lakeside                  | 54 DAMAC Bay by Cavalli |                                   |



# Recent project launches (1/2)



**Harbour Lights** by De Grisogono in Dubai Maritime City was launched in 1Q 2023

**DAMAC Bay 2** by Cavalli in Dubai Harbour was launched in 2Q 2023



**Canal Crown** by De Grisogono in Business Bay was launched in 2Q 2023

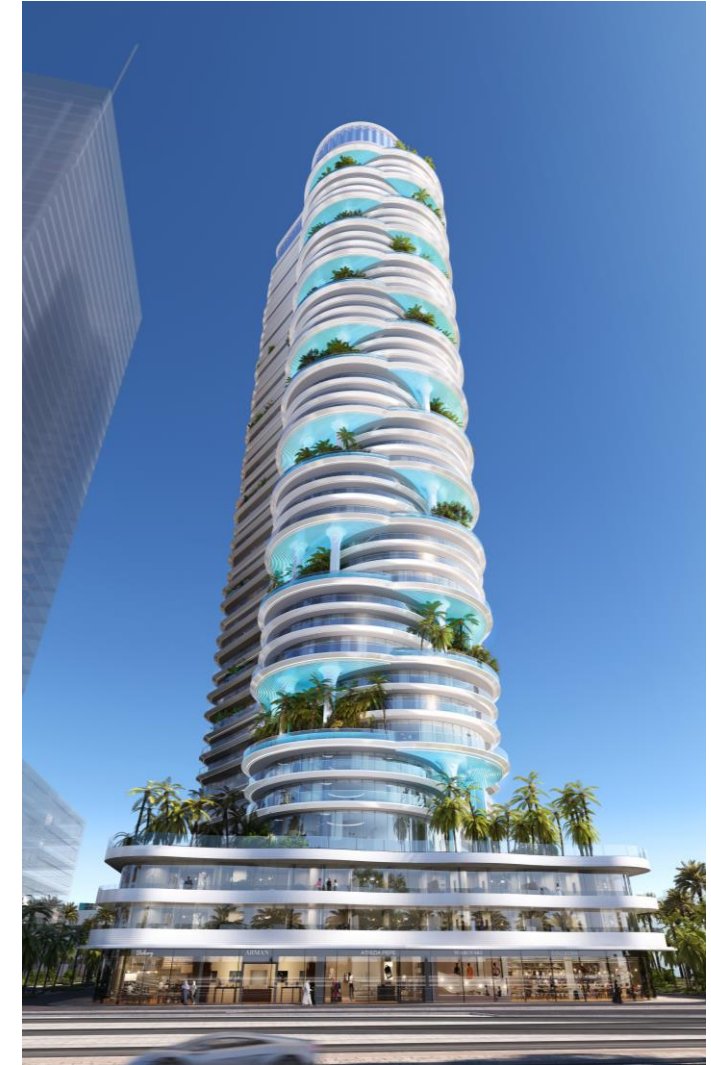


# Recent project launches (2/2)



**Coral Reef** in Dubai Maritime City was launched in 3Q 2023

**Volta Tower** on Sheikh Zayed Road, Dubai was launched in 3Q 2023



**DAMAC Casa Tower** in Al Sufouh was launched in 4Q 2023



# Key project: DAMAC Hills. Development case study

## DAMAC Hills

- 42 mn sq ft development with total saleable area: 20 mn sq ft with estimated project value of c.AED23 bn (US\$6.4 bn).
- Attractive scale with nearly 12 k units comprising villas, apartments, commercial and retail units and Trump International Golf Course.
- Community has supermarkets, pharmacies, Hospital Clinics, Banks along with other facilities such as Malibu Beach water area, skatepark, horse stable, cricket, tennis courts and football ground.

Back Villas



Golf course facing villas



Low rise Apartments



Mid rise Apartments



Commercial & Retail

- ~400 k sq ft of commercial space

October 2012

8 months

June 2013

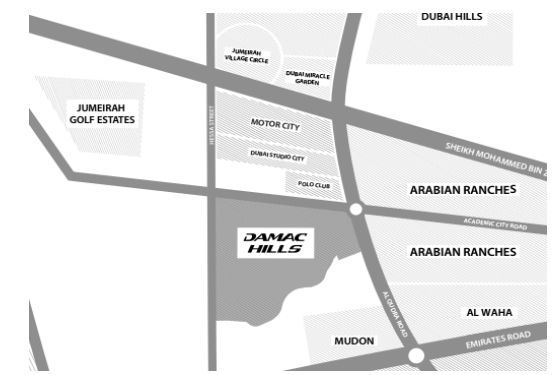
August 2013

December 2015

February 2017

September 2023

- Land SPA signed



- Master planning
- Design approvals
- Brand associations
- Basic infrastructure works
- Sales launch

- Launch of sales

- Back villas infrastructure start

- First deliveries of three G+7 buildings

- Opening of Trump International Golf Course

- Delivered over 7.7 k units



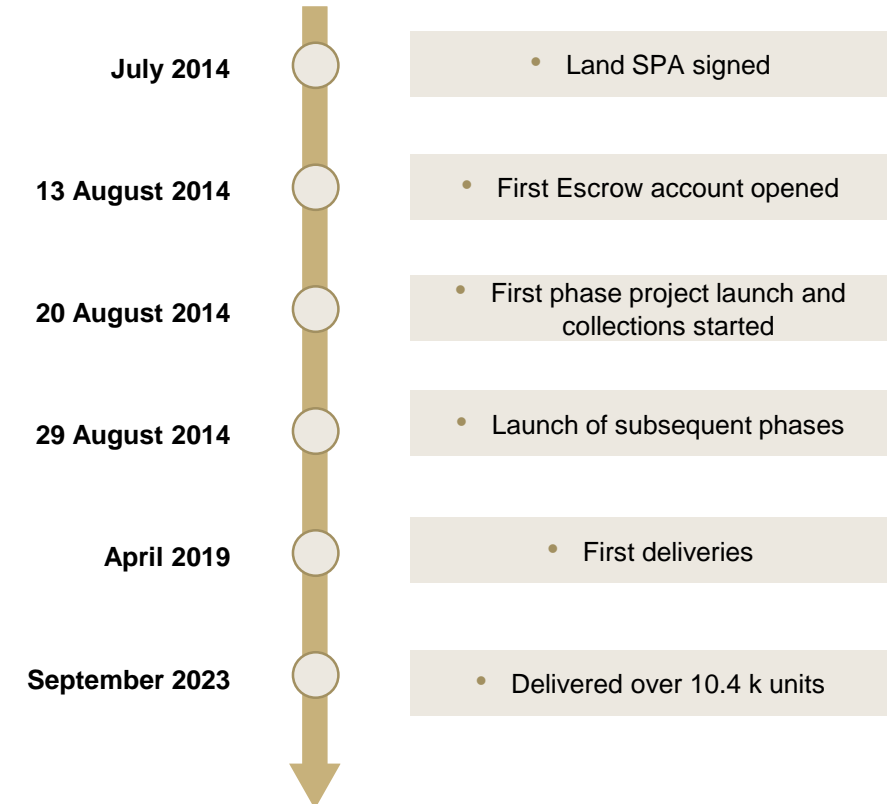


# Key project: DAMAC Hills 2. Development case study

DAMAC Hills 2



- **55 mn sq ft development with c.30 mn sq ft saleable area with estimated project value of c.AED22 bn (US\$6.0 bn).**
- DAMAC Hills 2 is the Group's second master community and builds on the successful DAMAC Hills project (30% larger) with expected to have over 17 k units.
- Modeled on escapism and developed to provide a lush green environment with an air of "Escape The City".
- Luxurious modern design will be integrated with retail and hospitality including a five-star Hotel and wellness center, two world class schools.
- Globally-recognized retail brands, leisure and entertainment facilities, including c.350 k sq ft of commercial space.
- Green living and open spaces including parklands and water elements.





# Key project: DAMAC Lagoons. Development case study



## DAMAC Lagoons Development



- **49 mn sq ft high-end lifestyle community development.**
- DAMAC Lagoons is the Group's third and latest master community and builds on the successful DAMAC Hills and DAMAC Hills 2 projects.
- DAMAC Lagoons showcases luxury contemporary living inspired by water, with features that include a floating cinema, interactive exhibits, infinity pools, a water park, a wave simulator, snorkelling, kayaking, wall climbing, zip-lining, a skate park, a retail promenade, world-class dining at the community clubhouse and much more.
- DAMAC Lagoons is adjacent to our established community of DAMAC Hills, strategically located on the Hessa Street, Dubai.

September 2021

- Land SPA signed

November 2021

- First phase project launch and collections started

January 2022

- Launch of subsequent phases

September 2023

- Over 8 k units sold



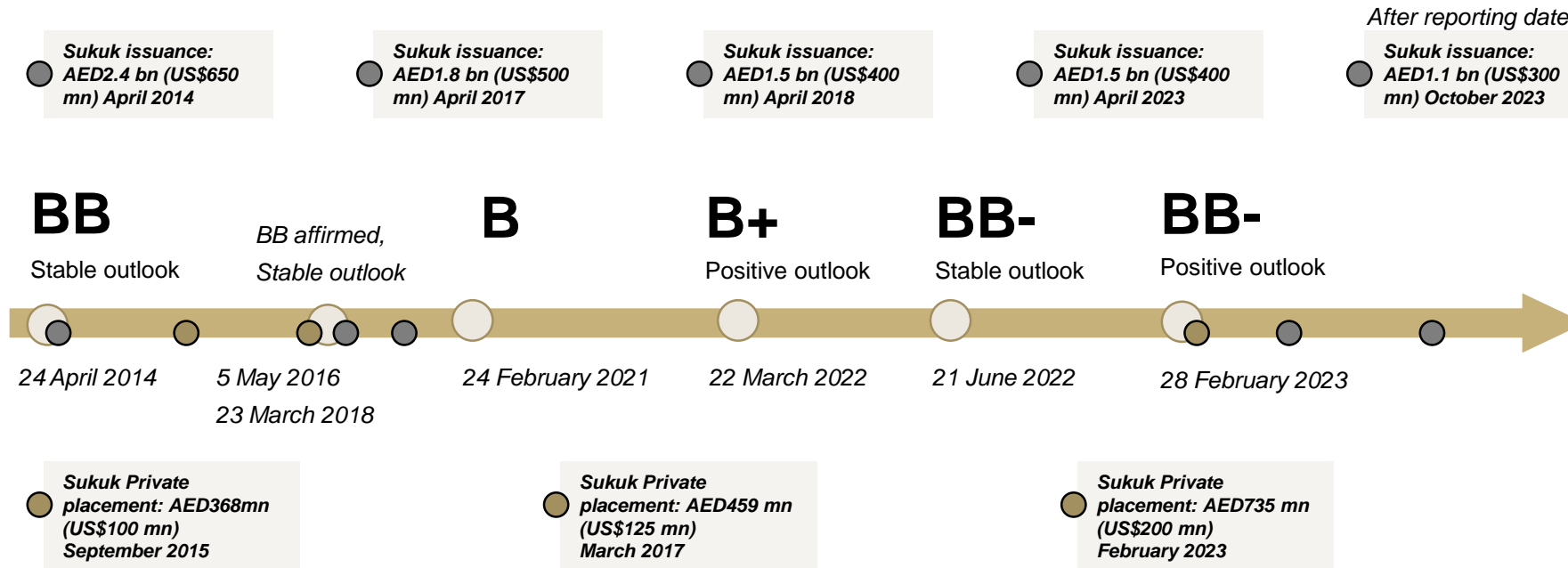
## 2. Rating developments





# DAMAC rating developments

## S&P Rating evolution for DAMAC



## BB-

### Current Credit Rating

Issued by S&P in June 2022

Affirmed by S&P with outlook revised to "positive" in February 2023

The positive outlook reflects the possibility of a one-notch upgrade over the next 12 months

Full rating report available [here](#)

## Latest Standard & Poor's Global Ratings (S&P) updates

- Currently, the S&P Global credit rating of DAMAC is BB- with positive outlook
- DAMAC received two rating upgrades in 2022
- On 22 March 2022, S&P updated the credit rating of DAMAC to B+ off the back of returning to growth and deleveraging
- Further, rating was improved to BB- on 21 June 2022 on strong presales traction
- On 28 February 2023, S&P affirmed DAMAC's rating of BB- and revised their outlook to positive

## Rating developments after reporting date

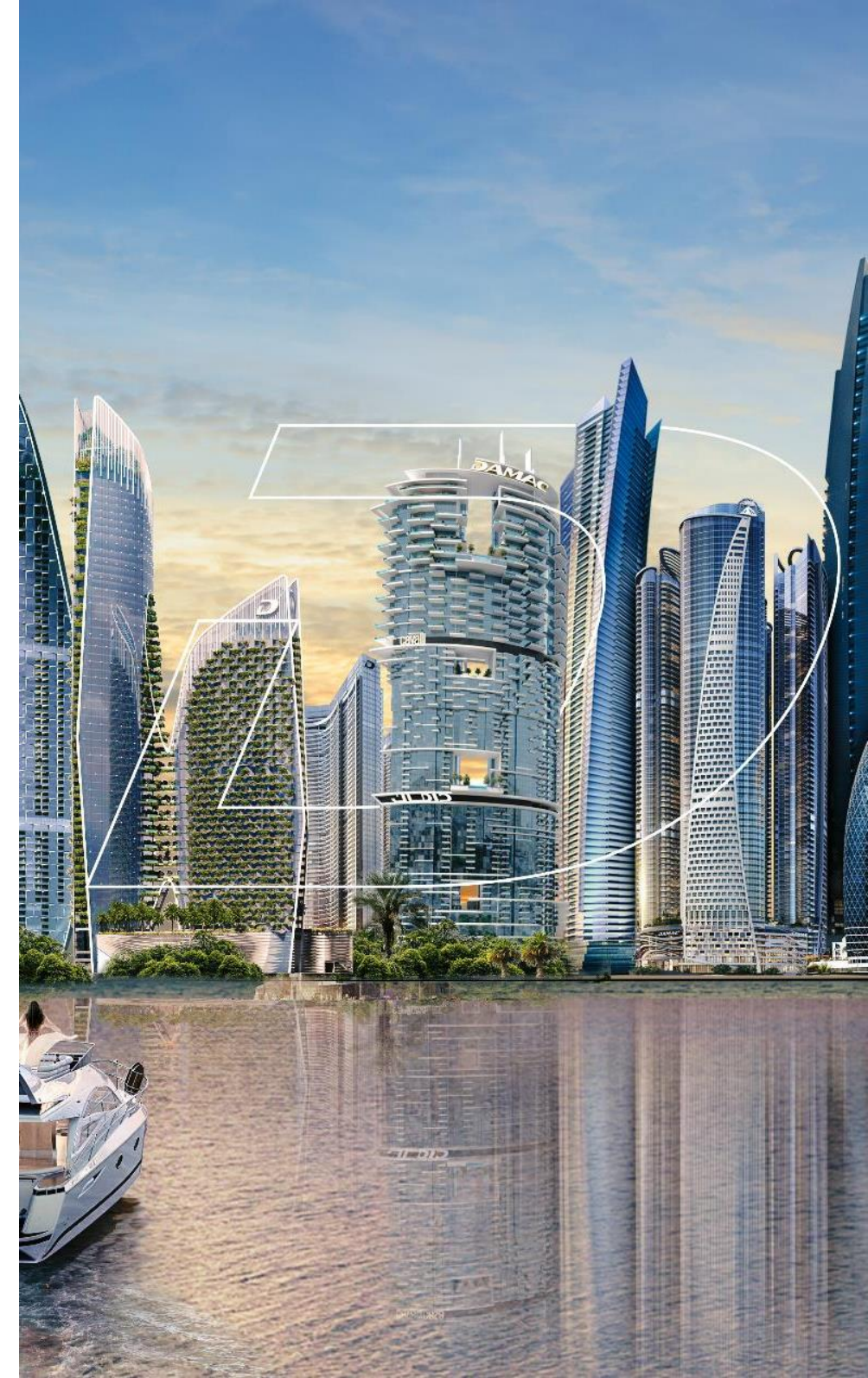
## Ba2

### Current Credit Rating

In October 2023, Moody's assigns first time Ba2 rating to Damac Real Estate Development; outlook stable

Full rating report available [here](#)

### 3. Financial highlights, operating environment, and latest key financials





# Latest financial highlights 9M 2023



Revenue	Gross profit	Gross margin <sup>1</sup>
<b>AED3,978 mn</b> (9M 2022: AED2,218 mn)	<b>AED2,203 mn</b> (9M 2022: AED766 mn)	<b>55%</b> (9M 2022: 35%)
Operating cashflow <sup>2</sup>	Total assets	Cash and bank balances <sup>3</sup>
<b>AED5,675 mn</b> (9M 2022: AED3,386 mn)	<b>AED 31,816 mn</b> (FY 2022: AED 21,569 mn)	<b>AED14,979 mn</b> (FY 2022: AED8,170 mn)
Gross debt <sup>4</sup>	Debt to total assets <sup>5</sup>	Net profit <sup>6</sup>
<b>AED2,287 mn</b> (FY 2022: AED1,218 mn)	<b>7%</b> (FY 2022: 6%)	<b>AED2,063 mn</b> (9M 2022: AED613 mn)

Source: 9M 2023 financial statements

1. Gross margin is calculated as gross profit divided by revenue

2. Operating cashflow is net cash generated from operating activities

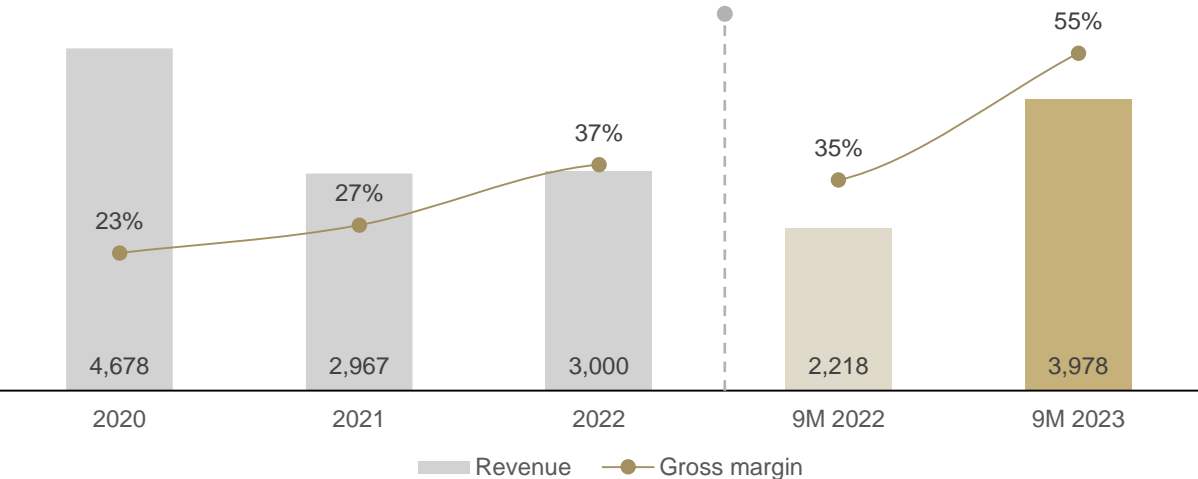
3. Cash and bank balances include cash held in escrow and exclude escrow retention accounts

4. Gross debt is calculated as the sum of Bank borrowings and Sukuk certificates, without taking into account lease liabilities of AED70 mn as of 30 September 2023

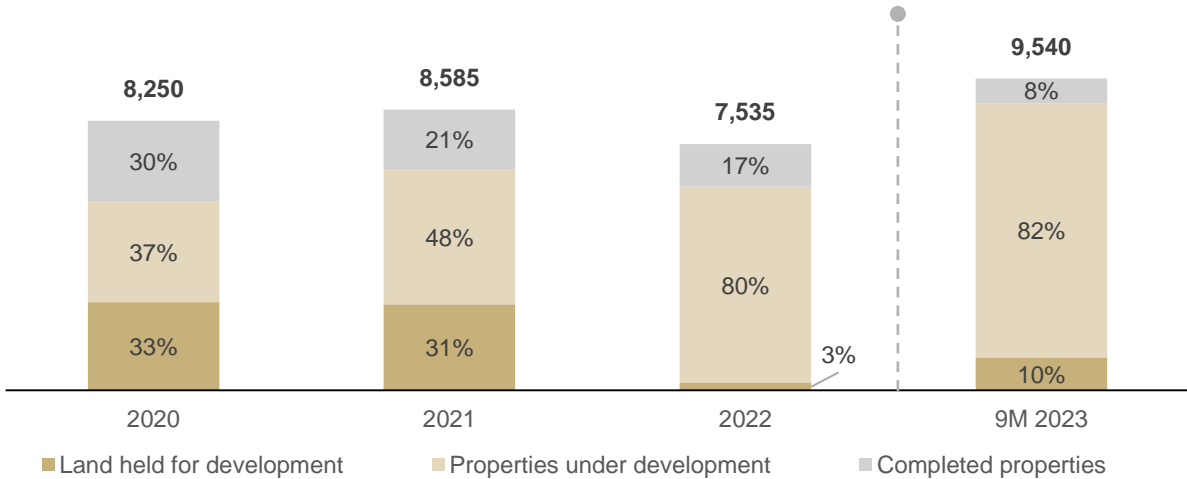
5. Debt to total assets is calculated as Bank borrowings and Sukuk certificates divided by total assets

6. Corresponds to the line item profit for the period after tax in 9M 2023 financial statements

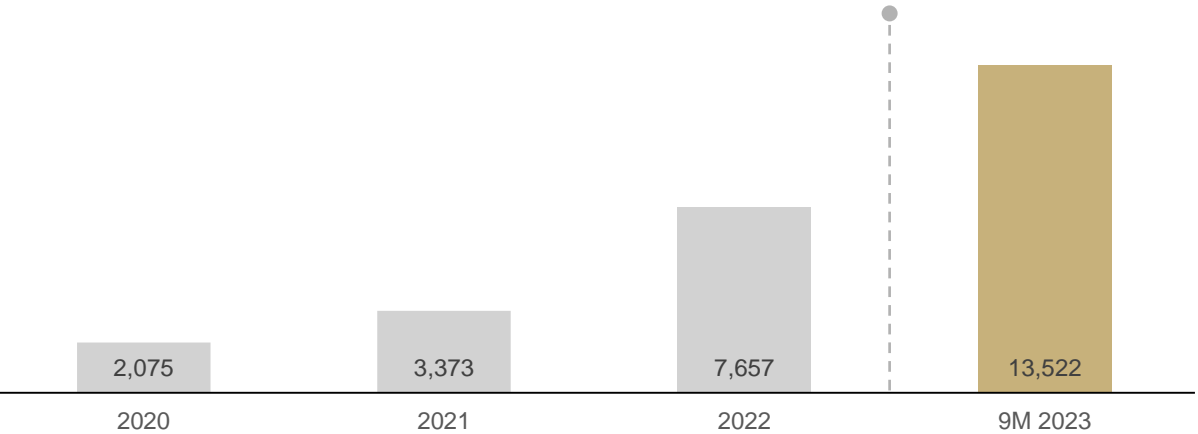
Revenue and margins<sup>1</sup>, AED mn



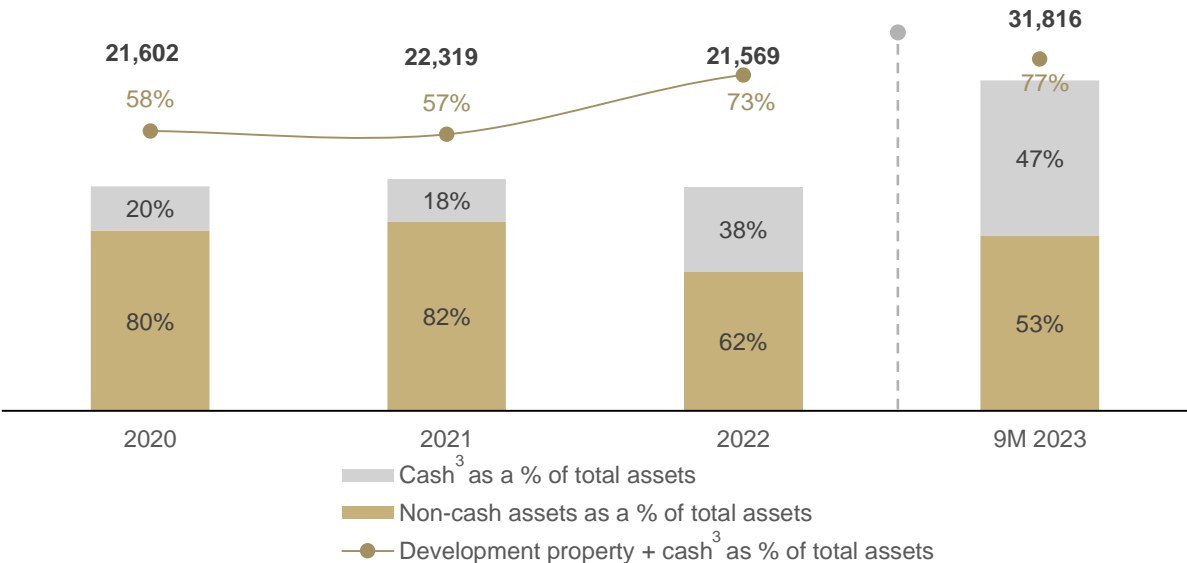
Development properties, AED mn



Advances from customers, AED mn



Total assets<sup>2</sup>, AED mn

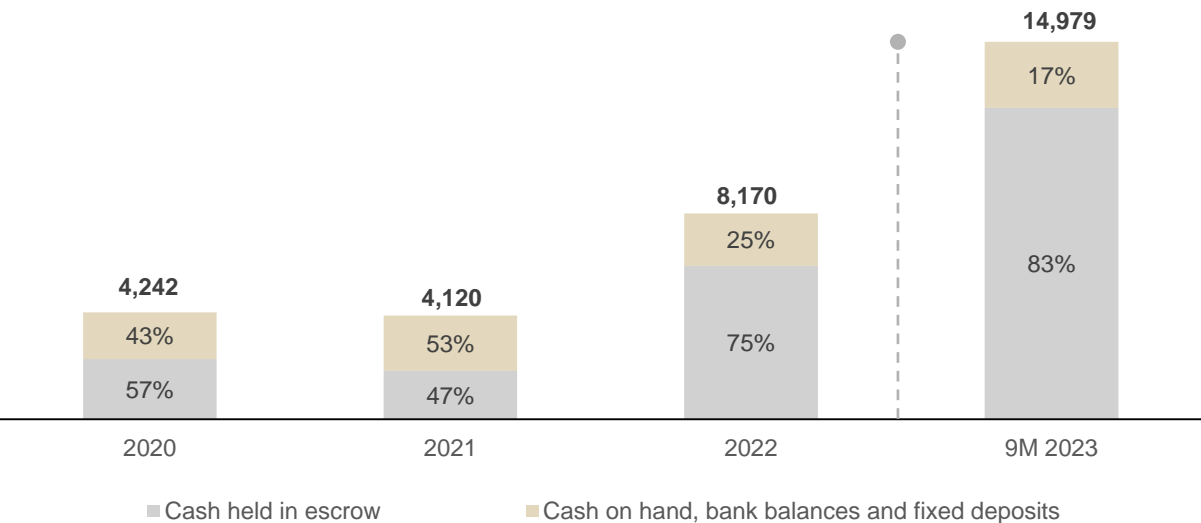


Source: 9M 2023, 2022, 2021 financial statements  
Notes: 1. Gross margin is calculated as gross profit divided by revenue  
2. Total assets = cash + non-cash assets  
3. Cash and bank balances including cash held in escrow and excluding escrow retention accounts

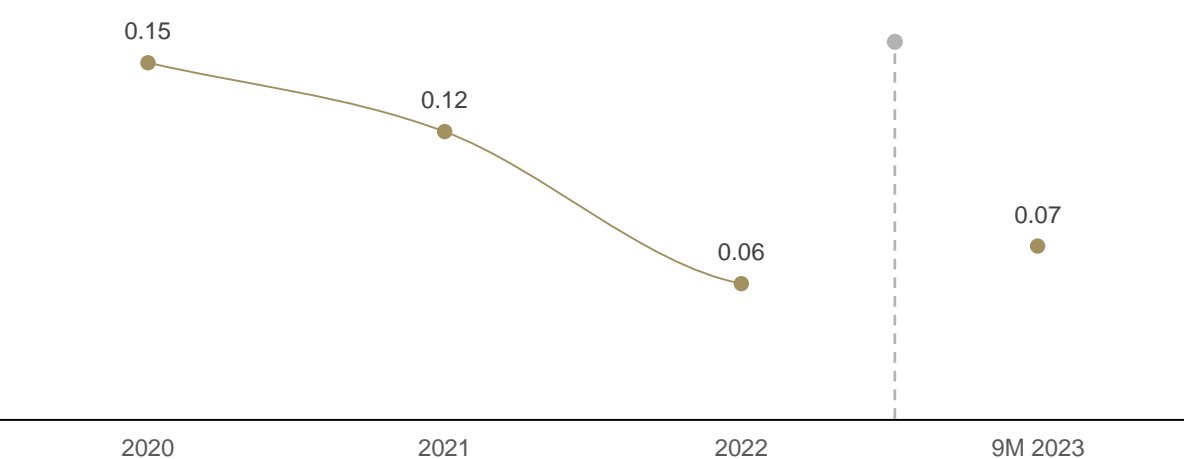




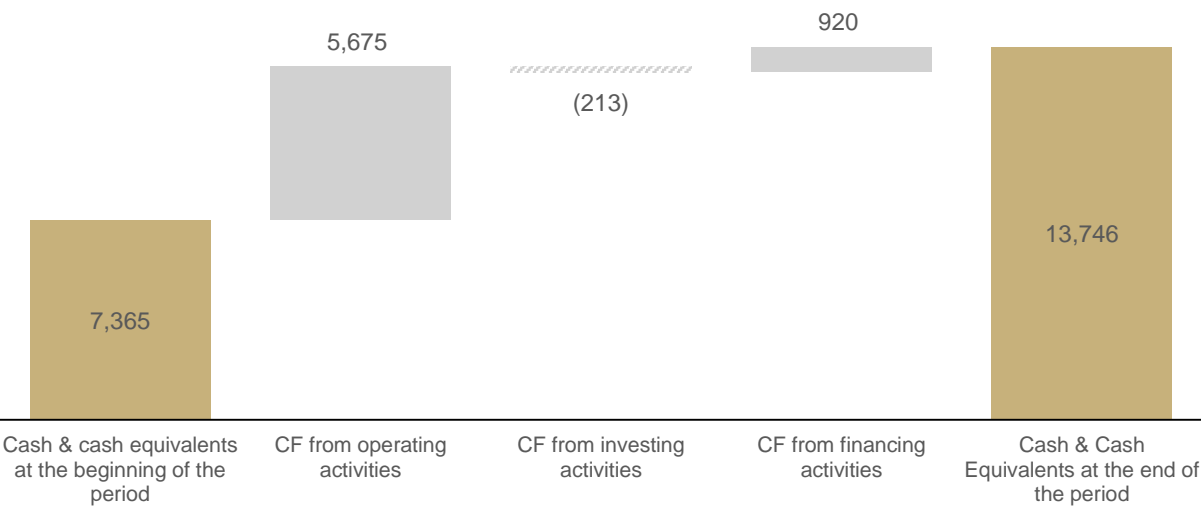
Cash and bank balances breakdown, AED mn



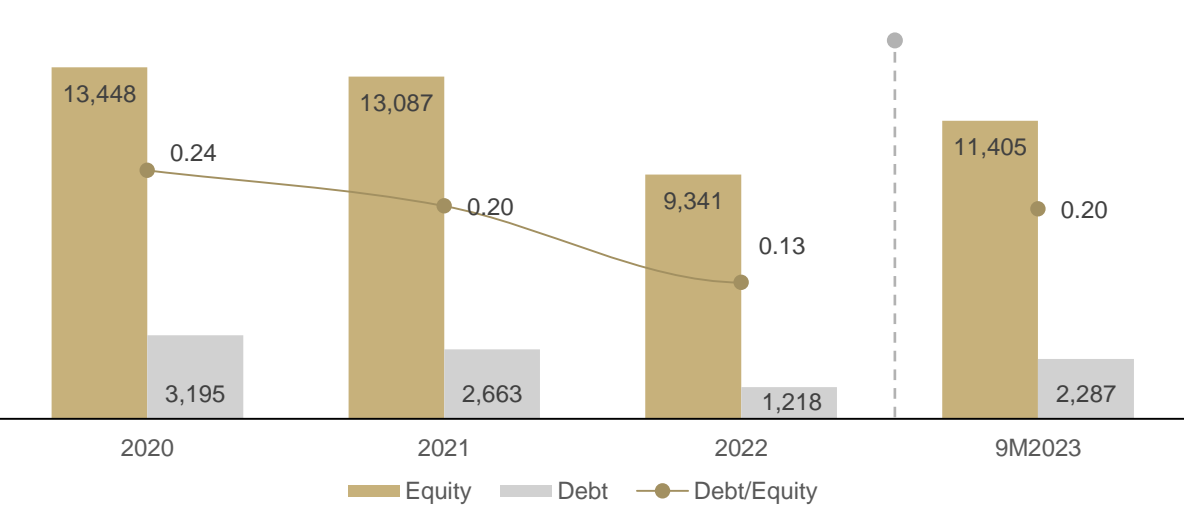
Debt to assets ratio<sup>1,2</sup>



9M 2023 cash flow breakdown, AED mn



Capital structure<sup>1,3</sup>, AED mn



Notes: 1. Debt is the aggregate of bank borrowings and Sukuk certificates, without taking into account lease liabilities, i.e., AED70 mn as of 30 September 2023, AED65mn as of 31 December 2022, etc.  
2. Calculated as bank borrowings and Sukuk certificates divided by total assets  
3. Calculated as bank borrowings and Sukuk certificates divided by total equity



Debt profile as at 30 September 2023

US\$200 mn	<b>February 2023: 2.25 year, 7.5%, US\$200 mn Private Sukuk Placement, maturing on 7 May 2025</b>  Private Sukuk issued by Alpha Star Holding VI Limited and guaranteed by DAMAC.
US\$400 mn	<b>April 2023: 3 year, 7.75%, US\$400 mn Public Sukuk, maturing on 27 April 2026</b>  Public Sukuk issued by Alpha Star Holding VII Limited and guaranteed by DAMAC.
AED100 mn	<b>May 2023: 2 year, 3M EIBOR + 1.4%, Secured bank term loan facility, payable by 4 May 2025</b>  Secured bank term loan facility amounting to AED100 mn bearing interest at 3 months EIBOR plus 1.4% per annum. This facility has been fully utilised to finance the purchase of a land parcel.

Issuances after reporting date

US\$300 mn	<b>October 2023: 3.5 year, 8.375%, US\$300 mn Public Sukuk, maturing on 12 April 2027</b>  Public Sukuk issued by Alpha Star Holding VIII Limited and guaranteed by DAMAC.
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## Statement of Financial Position

in mn	9M 2023 AED	9M 2023 US\$ equiv.	FY 2022 AED	FY 2022 US\$ equiv.
Cash and bank balances	14,979	4,076	8,170	2,223
Trade and other receivables	5,975	1,626	5,111	1,391
Development properties	9,540	2,596	7,535	2,050
Other financial assets	579	158	447	122
Right-of-use assets	52	14	54	15
Property and equipment	175	48	111	30
Investment Properties	459	125	63	17
Due from related parties	56	15	77	21
<b>Total assets</b>	<b>31,816</b>	<b>8,657</b>	<b>21,569</b>	<b>5,869</b>
Share capital	3,980	1,083	3,980	1,083
Statutory reserve	152	41	152	41
Retained earnings	7,273	1,979	5,210	1,418
<b>Total equity</b>	<b>11,405</b>	<b>3,103</b>	<b>9,341</b>	<b>2,542</b>
Trade and other payables	4,533	1,233	3,288	895
Advances from customers	13,522	3,679	7,657	2,084
Bank borrowings	100	27	-	-
Sukuk certificates	2,187	595	1,218	331
Lease liabilities	70	19	65	18
<b>Total liabilities</b>	<b>20,412</b>	<b>5,554</b>	<b>12,227</b>	<b>3,327</b>
<b>Total equity and liabilities</b>	<b>31,816</b>	<b>8,657</b>	<b>21,569</b>	<b>5,869</b>

## Profit and Loss Statement

in mn	9M 2023 AED	9M 2023 US\$ equiv.	9M 2022 AED	9M 2022 US\$ equiv.	YoY Δ
<b>Revenue</b>	<b>3,978</b>	<b>1,082</b>	<b>2,218</b>	<b>604</b>	<b>79%</b>
Cost of sales	(1,774)	(483)	(1,452)	(395)	22%
<b>Gross profit</b>	<b>2,203</b>	<b>600</b>	<b>766</b>	<b>209</b>	<b>188%</b>
<i>Gross margin<sup>1</sup></i>	55.4%	55.4%	34.5%	34.5%	N/A
Other operating income	497	135	817	222	(39%)
General, administrative and selling expenses	(1,346)	(366)	(1,258)	(342)	7%
Amortisation of right-of-use asset	(2)	(0.6)	(2)	(0.7)	(15%)
Depreciation on PPE and investment properties	(25)	(7)	(23)	(6)	9%
Reversal for impairment on development properties - net	-	-	307	84	(100%)
Loss allowance reversal on trade receivables	81	22	59	16	38%
Loss on financial investments carried at FVTPL	-	-	(130)	(35)	(100%)
Other income	407	111	90	24	352%
Finance income	370	101	44	12	749%
Finance costs	(196)	(53)	(92)	(25)	113%
Gain on net monetary position	-	-	91	25	(100%)
Foreign exchange loss	-	-	(24)	(6)	(100%)
Share of net loss of associates	-	-	(13)	(4)	(100%)
Reversal / (provision) for value added tax	73	20	(16)	(4)	(546%)
<b>Profit before tax</b>	<b>2,063</b>	<b>561</b>	<b>615</b>	<b>167</b>	<b>235%</b>
Income tax expense - overseas	-	-	(2)	(0.6)	(100%)
<b>Net profit</b>	<b>2,063</b>	<b>561</b>	<b>613</b>	<b>167</b>	<b>237%</b>
<i>Net margin<sup>2</sup></i>	51.9%	51.9%	27.6%	27.6%	N/A

Source: 9M 2023 and 9M 2022 financial statements

Notes: 1. Gross margin is calculated as gross profit divided by revenue

2. Net margin is calculated as net profit divided by revenue

# Board of Directors and Committees



**Mr. Hussain Ali Habib Sajwani**  
*Founder and Chairman of the Board  
of Directors*

**Mr. Sofyan Adnan Sami Khatib**  
*Non-Executive Director*

**Mr. Farooq Mahmood Mohd  
Mahmood Arjomand**  
*Non-Executive Director*

**Mr. Subramanian Suryanarayan**  
*Non-Executive Director*

**Mr. Christophe Jacques Marc  
Cuvillier**  
*Non-Executive Director*

## Nomination and Remuneration Committee

- The Nomination and Remuneration Committee assists the Board of Directors in discharging its responsibilities relating to the composition of the Board of Directors, performance of the Board of Directors members, induction of new directors, appointment of committee members and succession planning for senior management.
- It is also responsible for evaluating the balance of skills, knowledge, diversity and experience on the Board of Directors, the size, structure and composition of the Board of Directors, retirements and appointments of additional and replacement directors and makes appropriate recommendations to the Board of Directors on such matters.
- It prepares a description of the role and capabilities required for a particular appointment.
- The Nomination and Remuneration Committee is comprised of three members, all of whom are independent non-executive directors. The Nomination and Remuneration Committee is chaired by Mr. Sofyan Adnan Sami Khatib.

## Audit and Risk Committee

- The Audit and Risk Committee assists the Board of Directors in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including monitoring the integrity of the Guarantor's financial statements, monitoring and reviewing the extent of the non-audit work undertaken by external auditors, advising on the appointment, re-appointment, removal, remuneration and terms of engagement of external auditors and reviewing the effectiveness of the Guarantor's internal audit activities, and internal controls.
- In addition, the Audit and Risk committee assists the Board of Directors in assessing all areas of corporate risks, conducting a detailed review of changes in risk profile, issues related to the functioning of the risk management framework, including sales, construction, debt financing, and mortgaging.
- The Audit and Risk Committee is comprised of three members, who are all independent non-executive directors. The Audit and Risk Committee is chaired Mr. Subramanian Suryanarayan.



# Senior Management team – strong track record and industry experience



**Mr. Ali Hussain Sajwani**  
*Managing Director for Operations and Technology*



**Ms. Amira Sajwani**  
*Managing Director for Sales and Development*



**Mr. Mohammed Tahaine**  
*General Manager for Real Estate Development and Construction*



**Mr. Hitesh Dhoot**  
*Group Chief Financial Officer*



**Mr. Mavelitharayil Philip John**  
*Chief Human Capital Officer*



**Mr. Joseph Berti**  
*Senior Vice President for Legal and Risk Department*



**Mr. Francis Arul**  
*Chief Information Officer*







- **US\$**      US dollars
- **Mn**      million
- **Bn**      billion
- **AED**      United Arab Emirates dirham
- **Sq ft**      square feet
- **CRM**      credit risk management
- **K**      thousand
- **Q**      quarter (eg 3Q)
- **G**      ground floor (eg G+7 buildings)
- **LOAMS**      Luxury Owner Association Management Services Co. L.L.C. It is a facility management company, 100% owned by DRED
- **FVTPL**      fair value through profit and loss

*Exchange rate used throughout the presentation*  
*1 US\$ = 3.675 AED*



# ***DAMAC***

LIVE THE LUXURY







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