



Aldar's Q3 2023 net profit rises 48% YoY fueled by record sales and strong performance across recurring income portfolio

Abu Dhabi, UAE: 30 October 2023

Q3 2023 Group Highlights

- Record development sales of AED 7.8 billion in Q3, bringing 9-month sales to a record AED 19.4 billion, with 11 new project launches year-to-date.
- Development backlog reaches AED 29.1 billion for projects to be delivered over the next 2-3 years.
- Growing vein of overseas and resident expat buyers, collectively accounting for 60% (AED 10.3 billion) of year-to-date UAE sales; Overseas sales grew 160% year-to-date to AED 4.6 billion.
- Robust performance highlights Abu Dhabi and Aldar's continued global appeal which is set to increase further through the launch of the company's first developments in Dubai and Ras Al Khaimah.
- Aldar recently announced its first residential development in Dubai – Haven by Aldar – with the public launch due to start on October 31st.
- Solid organic growth across the recurring income portfolio driven by strong operational performance, while recent acquisitions have surpassed underwriting expectations and are positively impacting the bottom line.
- Strong liquidity position with AED 3.9 billion in free cash and AED 5.9 billion in undrawn credit facilities.
- Supported by a strong track record of executing its growth and expansion strategy, Aldar will continue to explore opportunities for further disciplined capital deployment in its home market and internationally.

	Revenue	Gross Profit	EBITDA	Net Profit
Q3 2023	AED 3.5 bn + 27% YoY	AED 1.3 bn + 22% YoY	AED 1.1 bn + 45% YoY	AED 0.9 bn + 48% YoY
9 Months 2023	AED 9.8 bn + 21% YoY	AED 4.0 bn + 21% YoY	AED 3.5 bn + 37% YoY	AED 3.0 bn + 41% YoY

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H.E. MOHAMED KHALIFA AL MUBARAK

CHAIRMAN OF ALDAR PROPERTIES

“Our home market, Abu Dhabi, is bolstered by a robust economy, and a regulatory environment that is conducive to business and investment. This positive backdrop has allowed Aldar to undertake a journey of transformational growth, including entry into regional markets such as Egypt, Ras Al Khaimah and Dubai.

Taking the next step in our growth trajectory, Aldar has devised a new strategy to take our expertise into select international markets, with a particular focus on Europe, which will allow us to build scale, diversify, and deliver sustainable growth. We aim to target investments that are core to our current operations and across high-growth real estate sectors in mature markets that are characterised by strong fundamentals, demographic shifts, digitized economies, and evolving consumer preferences.

“We see this as an opportune moment to tap emerging trends and also to leverage new relationships to bring investment and innovation back to our core market, the UAE.”

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TALAL AL DHIYEBI

GROUP CHIEF EXECUTIVE OFFICER OF ALDAR PROPERTIES

“Aldar continues to demonstrate its ability to become a national real estate champion, as evidenced by our record-breaking development sales and revenue backlog in the third quarter. The increasing interest from international buyers in our developments not only highlights the global appeal of Aldar’s offering but also reaffirms Abu Dhabi’s position as a preferred destination for business, leisure, and long-term residency. Our investment properties, particularly our thriving commercial portfolio, consistently exhibit solid operational performance and we are really seeing the positive impact of recent acquisitions across the office, retail, and hospitality sectors. We look forward to taking further steps this year to continue our path of accelerated growth in the region and beyond.”



ALDAR DEVELOPMENT

Comprising three segments: **Property Development and Sales**, responsible for developing and marketing Aldar's strategic land bank; **Project Management Services**, which manages government housing and infrastructure projects in the UAE; and **International**, which manages investment in Egyptian real estate, through SODIC.

Aldar Development <i>AED million</i>	Q3 2023	Q3 2022	% change	9M 2023	9M 2022	% change
Revenue	1,935	1,643	18%	5,821	5,181	12%
EBITDA	593	389	52%	1,858	1,347	38%
Group Sales	7,819	3,930	99%	19,395	9,261	109%
UAE sales	6,440	3,189	102%	17,040	7,198	137%

- **Aldar Development's Q3 2023 revenue** increased 18% YoY to AED 1.9 billion driven by accelerated construction progress, buoyant off-plan sales, and continued development backlog revenue recognition, with 9-month revenue increasing 12% YoY to AED 5.8 billion.
- **Group sales** in Q3 2023 reached AED 7.8 billion, a 99% increase from the same period last year, marking Aldar's highest ever quarterly sales. Group sales during the first nine months reached a record AED 19.4 billion, up 109% YoY on the back of 11 project launches year-to-date and strong demand for Abu Dhabi properties from a growing vein of international buyers.
- **Group revenue backlog** reached a record AED 29.1 billion as at the end of Q3, providing strong visibility on revenue across the UAE and Egypt operations over the next 2-3 years.
- **Project management services backlog** of AED 59 billion demonstrates the long-term and perpetual nature of the franchise, with AED 3.8 billion in new projects awarded during the first nine months of 2023.
- **During the quarter**, Aldar entered into a strategic partnership with Nikki Beach to develop a luxury beachfront residential project on Al Marjan Island in Ras Al Khaimah.
- In **October 2023**, Aldar further expanded its geographical reach with the launch of 'Haven by Aldar', the company's first residential development in Dubai.

UAE

- **Total UAE sales** for Q3 2023 reached a record AED 6.4 billion, up 102% YoY, driven by the launch of Gardenia Bay in Q3 and strong demand for inventory from previous launches including Fay Al Reeman II, Reeman Living, Saadiyat Lagoons, Sustainable City, The Source II, and Yas Golf Collection. During the first 9 months, UAE sales increased 137% YoY to AED 17.0 billion.
- **UAE sales to overseas and expat buyers** reached a record AED 5.1 billion in Q3 2023 and AED 10.3 billion (60% of total UAE sales) over the course of the first nine months, underscoring Abu Dhabi's prominence as a premier investment destination and long-term home. Sales to



overseas and resident expat buyers grew by 160% and 333% respectively and further growth is anticipated as Aldar expands its footprint into Dubai and Ras Al Khaimah.

- **UAE revenue backlog** of AED 23.6 billion, increasing 95% YoY with an average duration of 29 months, while Q3 cash collections stood at AED 1.7 billion.

Egypt

- **SODIC** contributed AED 230 million (EGP 1.9 billion) in **revenue** and AED 3.8 million (EGP 31.8 million) of **EBITDA** to Aldar Development in Q3 2023. Over the first 9 months, revenue stood at AED 566 million (EGP 4.76 billion), with EBITDA at AED 75.5 million (EGP 636 million).¹
- SODIC's **sales** were AED 1.4 billion (EGP 11.6 billion) in Q3 2023 and AED 2.4 billion (EGP 19.8 billion)¹ over the first 9 months of the year. **Revenue backlog** was AED 5.5 billion (EGP 46.6 billion) as at the end of Q3 2023, with an average duration of 23 months, providing strong earnings visibility on revenue over the next 2 years.²
- SODIC continues to maintain a **strong liquidity position** with total cash and cash equivalents amounting to AED 253 million (EGP 2.13 billion).²

ALDAR INVESTMENT

Comprising four segments representing over AED 35 billion of assets under management: **Investment Properties** houses Aldar's core asset management business comprising prime real estate assets across retail, residential, commercial, and logistics segments. **Hospitality and Leisure** owns a portfolio of over 4,200 hotel keys and leisure assets principally located in Abu Dhabi and Ras Al Khaimah. **Aldar Education** is the leading private education provider in Abu Dhabi with 31 owned and managed schools primarily across the UAE. **Principal Investment** houses multiple businesses, including **Aldar Estates**, the region's largest integrated property and facilities management platform.

Aldar Investment³ <i>AED million</i>	Q3 2023	Q3 2022	% change	9M 2023	9M 2022	% change
Revenue	1,514	1,048	44%	4,005	2,800	43%
Adj. EBITDA⁴	580	424	37%	1,616	1,166	39%
Occupancy (Investment Properties)⁵	95%	91%	-	95%	91%	-

¹ EGP figures stated at the average exchange rate during each quarter (Q3 2023 EGP/AED: 0.118839, 9M2023 EGP/AED: 0.118827)

² EGP figures stated based on exchange rate as at 30/09/2023 (EGP/AED 0. 0.118851)

³ Excludes Pivot.

⁴ Aldar Investment EBITDA adjusted for fair value movements (excluding amortization of leasehold assets), reversal of impairments, and one-off gains/losses on acquisitions.

⁵ Contracted or leased occupancy as of 30/09/2023.



- **Aldar Investment's Adj. EBITDA³** is up 37% to AED 580 million in Q3 2023, mainly driven by meaningful contributions from recent acquisitions, higher leasing rates and strong operational performance across the portfolio.
- **Investment Properties** Q3 2023 Adj. EBITDA⁴ increased 27% YoY to AED 432 million, while 9-month Adj. EBITDA rose 23% to AED 1.1 billion. This strong performance was primarily driven by higher occupancy and leasing rates, as well as meaningful contributions from recent acquisitions which continue to positively impact the bottom line. Occupancy across the portfolio rose to 95% compared with 91% for the same period last year.
 - **Residential** Q3 2023 Adj. EBITDA increased 59% YoY to AED 166 million, with a solid occupancy rate of 97%. This was driven by a one-off early lease termination fee for a residential bulk lease agreement recognised in Q3 2023. 9-month Adj. EBITDA rose 15% to AED 358 million.
 - **Retail** Q3 2023 Adj. EBITDA declined 2% YoY to AED 114 million, while 9-month Adj. EBITDA remained flat YoY at AED 346 million, largely attributable to the redevelopment of Al Jimi and Al Hamra Malls. Occupancy across the portfolio stands at a solid 91%. Yas Mall tenant sales and footfall rose 26% and 33% YoY respectively, while achieving a near-full occupancy rate of 99%. Aldar aims to replicate this success through the execution of its ongoing AED 500 million redevelopment plans for Al Jimi and Al Hamra Malls, with completion expected by the end of 2024.
 - **Commercial** Q3 2023 Adj. EBITDA increased 41% YoY to AED 154 million, while 9-month Adj. EBITDA increased 82% YoY to AED 435 million. This was driven primarily by the annualization effect of ADGM and stronger operational performance across the portfolio with occupancy at 96%. On the asset front, HQ and International Towers witnessed robust average occupancy of 96%, while Aldar's four ADGM office towers achieved near-full occupancy at 99%. Al Maryah Tower, set to open in Q1 2024, has achieved a 40% pre-lease rate, driven by strong demand from GREs and international corporates.
 - **Aldar Logistics** 9-month 2023 Adj. EBITDA increased 43% YoY to AED 36 million, with occupancy of 91%. Aldar remains focused on expanding its logistics real estate portfolio in its home market and internationally.
- **Hospitality and Leisure** Q3 2023 EBITDA increased 42% YoY to AED 42 million while 9-month EBITDA surged 197% YoY to AED 224 million. This was driven by positive contributions from recent acquisitions, as well as stronger operating performance across the portfolio. Overall occupancy stood at 68% with average daily rates (ADRs) rising by 46% YoY.
- **Aldar Education** Q3 2023 EBITDA witnessed a 67% YoY increase to AED 48 million, with 9-month EBITDA increasing 26% YoY to AED 141 million. The business remains committed to growth, with an additional AED 350 million in capital deployed to acquire Kent College Dubai and Virginia International Private School, as well as establishing Cranleigh Bahrain.
- **Principal Investment⁶**, led by **Aldar Estates**, witnessed a 152% YoY increase in Q3 2023 EBITDA to AED 58 million, while 9-month EBITDA increased 100% YoY to AED 124 million. This was

⁶ Excludes Pivot.



primarily driven by Aldar Estates' strategic merger with Eltizam and contributions from recent acquisitions.

ESG Highlights

As one of the UAE's leading real estate developers, Aldar has a duty to uphold best practice international ESG standards. ESG is a core pillar of the company's long-term growth strategy, with **strong governance and responsible environmental and social impact** integrated into its investment processes and business decisions. Highlights of Aldar's recent ESG activities include:

- Aldar attained a lower ESG risk score of 15.9 from Sustainalytics, compared to 16.1 in 2022, and was ranked 11th among the 104 diversified real estate companies globally. Aldar also maintained its BBB MSCI ESG rating.
- The company actively engaged retail and commercial tenants in decarbonisation efforts, which included implementing green leases and green fit-out guidelines. These tenants occupy 21% of Aldar's Gross Leasable Area.
- Aldar launched the second cycle of the *Aldar Thrive Scholarship Programme*, welcoming a total of 41 students including people of determination. The programme aims to provide high-quality education opportunities to families in need.
- At the end of the third quarter, UAE nationals represented 42% of Aldar's head office employees, with more than 500 Emiratis receiving employment opportunities across Aldar since the introduction of the NAFIS programme in September 2021.
- Aldar continues to boast a diverse workforce with women representing 40% of total employees at its head office. 40% of head office employees are also under the age of 35 with more than 120 nationalities represented across the business.

-ENDS-

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About Aldar

Aldar Properties PJSC is the leading real estate developer, investor, and manager in the UAE with a diversified and sustainable operating model centered around two core businesses: Aldar Development and Aldar Investment.

Aldar Development is a master developer of integrated, liveable, and thriving communities across Abu Dhabi's most desirable destinations, including Yas Island, Saadiyat Island, Al Raha, and Reem Island. It is responsible for developing Aldar's c. 69 million sqm land bank and includes three businesses: Aldar Projects, which is Aldar's dedicated project delivery arm and the manager of its project management business; Aldar Ventures, which incubates and nurtures new business opportunities and innovation areas; and Aldar Egypt, the platform focused on developing mixed-use communities in Egypt.

Aldar Investment houses Aldar's core asset management business comprising over AED 35 billion portfolio of investment grade and income-generating assets diversified across retail, residential, commercial, hospitality, and logistics segments. Aldar Investment also manages three core platforms: Aldar Education, Aldar Estates, and Aldar Hospitality and Leisure. Aldar Education includes Aldar's entire educational portfolio, with almost 38,000 students across 31 operated and managed schools, and a growing network of educators from over 100 nationalities, offering a wide range of curriculum and ancillary services such as a Teacher Training Academy. Aldar Estates, the region's largest integrated property and facilities management platform, consolidates Aldar's Retail Operations alongside existing Residential and Commercial real estate operations within Provis and will further include Community Management under one integrated property management platform. Aldar Hospitality and Leisure looks after Aldar's portfolio of hotel and leisure assets, which are anchored around Yas Island and Saadiyat, in addition to Ras Al Khaimah. It includes Aldar's portfolio of 13 hotels, comprising over 4,200 hotel keys and managing operations across golf courses, beach clubs, and marinas.

Aldar's shares are traded on the Abu Dhabi Securities Exchange (Stock quote: ALDAR:UH), and is a profitable, cash-generative business that provides recurring revenues, and benefits from a diverse and supportive shareholder base. Aldar operates according to high standards of corporate governance and is committed to operating a long-term and sustainable business in order to provide ongoing value for its shareholders.

Aldar is driven by a vision to be a leading real estate developer and manager in the region by playing a key role in the development of quality, comfortable, desirable destinations that people can live in, work at and visit.

For more information on Aldar please visit www.aldar.com or follow us on:

