

# INVESTOR PRESENTATION

March 2023

Mall of Oman مول عمان

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### ***Majid Al Futtaim FY 2022 Performance Update***

#### **Appendix**

- *Majid Al Futtaim Group Overview*  
.....

A man with a beard and a light blue shirt is smiling and helping a young child ride a red bicycle. The child is wearing a red helmet, an orange shirt, and black knee pads. They are in a park-like setting with trees and a paved path. The sun is low in the sky, creating a warm, golden light.

## *FY 2022 Overview*

# IN 2022 WE HAVE DELIVERED SOLID RESULTS

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Revenue increased 12%  
to USD **9.9B**



EBITDA increased 4%  
to USD **1.1B**



USD **0.5B** Green perpetual notes  
issued and USD **1.25B**  
sustainability linked loan  
executed



**BBB** credit rating reaffirmed in  
2021 by S&P and Fitch  
with stable outlook



Environmental



Social



Governance

Maintained “Low risk” ESG  
rating with improved score  
from Sustainalytics



Opened 35 new Carrefour stores  
Total store count **458**



**29%** y-o-y increase in  
cinema admissions

USD/AED exchange rate of 3.6725 used throughout the presentation

# AGILITY AND DIVERSIFICATION HAS BOLSTERED OUR RESILIENCE

## OUR DIVERSIFIED PORTFOLIO



## A LEAN AND AGILE APPROACH





*Sustainability*



ماجد الفطيم  
MAJID AL FUTTAIM

# WE CONTINUE TO DELIVER ON OUR ESG COMMITMENTS

## 2022 Highlights



### **Health and Safety**

Maintained the accident frequency rate (LTIFR) up to May 2022 at 0.01 and below our maximum target of 0.03.



### **LEED Certification**

Increased LEED Platinum certified malls from 4 to 7, with Mall of the Emirates becoming the largest LEED platinum mall in the world



### **Transforming Lives**

Selected two start-up companies to work with in Communities Business Unit through the Scale Up Programme



### **ESG Rating**

Since 2019, we have maintained a low-risk rating from global ESG risk rating providers



### **Additional Infrastructure**

Provided a cycling and running track outside the precinct of Tilal Al Ghaf for public use



### **Circular Economy**

Phased out distribution of single-use cutlery and single-use plastic e-commerce bags in five countries



### **Human Rights and Employment Conditions**

Updated the Workers Accommodation Audit Checklist and conducted the training with relevant team members



### **Healthy Workplaces**

Partnered with Emirates Environmental Group and Fujairah Municipality to plant 1,250 indigenous Ghaf and Sidr sapling trees in Fujairah with the help of 100 MAFers



***FY 2022 Performance***

# SUMMARY OF MAJID AL FUTTAIM'S FY 2022 PERFORMANCE

## SOLID FINANCIAL PERFORMANCE DELIVERED IN 2022



**Revenue**  
+12% vs PY to:  
**USD 9.9bn**



**EBITDA**  
+4% vs PY to:  
**USD 1.1bn**

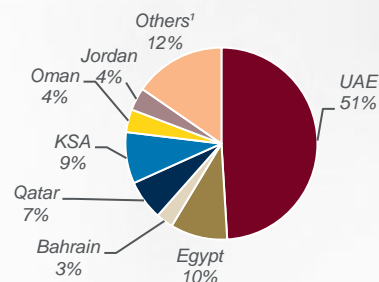


**Assets**  
+9% vs PY at:  
**USD 18bn**

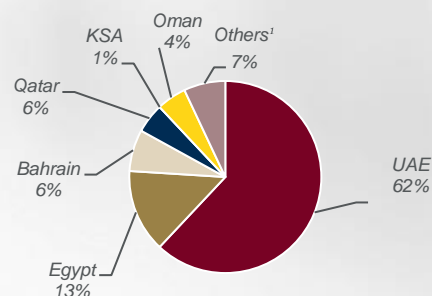
## STABILITY AND STRENGTH THROUGH DIVERSIFICATION

### GEOGRAPHICAL SPLIT – 31 December 2022

#### By Revenue

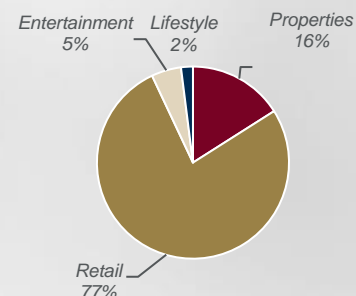


#### By EBITDA

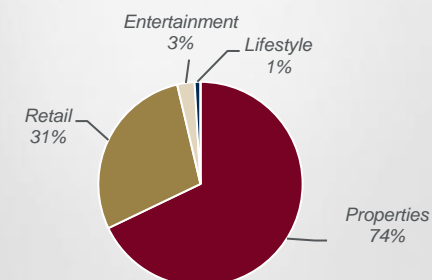


### SEGMENTAL SPLIT – 31 December 2022

#### By Revenue



#### By EBITDA



<sup>1</sup> Others includes Kuwait, Pakistan, Lebanon, Iraq, Georgia, Armenia, Kenya, Uganda, Uzbekistan



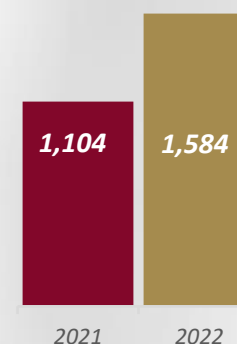
*Majid Al Futtain Properties*

# FY 2022 PERFORMANCE: MAJID AL FUTTAIM PROPERTIES

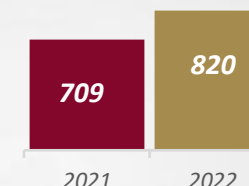
## Operational Highlights

- Mall of Oman and City Centre Al Zahia continue to ramp up with occupancy at 94% and 84% respectively
- Tilal Al Ghaf Communities development in Dubai recorded gross sales value of around USD 1.2 billion, whilst recognizing revenue of USD 490 million
- Strong performance from the Hotels business, particularly in the first half of the year due to EXPO 2020

### Revenue (USDmn)



### EBITDA (USDmn)



Malls avg occupancy

**94%**

Footfall y-o-y

**+16%**

Rent to sales

**11%**

Hotels avg occupancy

**79%**

REVPAR change y-o-y

**+50%**



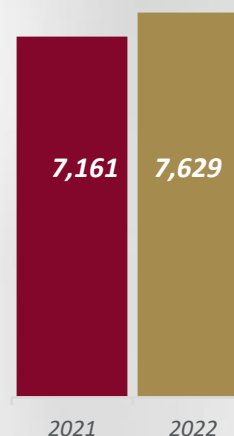
*Majid Al Futtaim Retail*

## FY 2022 PERFORMANCE: MAJID AL FUTTAIM RETAIL

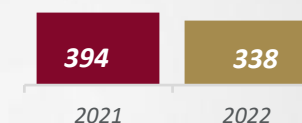
### Operational Highlights

- 35 new store openings across 9 countries
- 51% growth in revenue from digital sales
- Opened the UAE's first BIO store, featuring an in-store hydroponic farm

#### Revenue (USDmn)



#### EBITDA (USDmn)



|                      |      |
|----------------------|------|
| Sales (LFL)          | +1%  |
| Hypermarket openings | 7    |
| Supermarket openings | 28   |
| Total stores         | 458  |
| Online sales         | +51% |



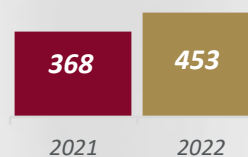
*Majid Al Futtaim Entertainment*

# FY 2022 PERFORMANCE: MAJID AL FUTTAIM ENTERTAINMENT

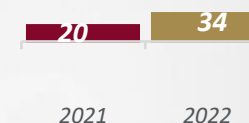
## Operational Highlights

- New content releases contributed to increased revenue and admissions
- Grew UAE market share by 4% to 59% during the year
- Secured distribution rights for Warner Bros and Universal across 14 countries in MENA

### Revenue (USDmn)



### EBITDA (USDmn)



|                              |      |
|------------------------------|------|
| Cinema admissions            | +29% |
| Total cinema screens         | 581  |
| Total L&E venues (incl ULOs) | 36   |



*Majid Al Futtaim Lifestyle*

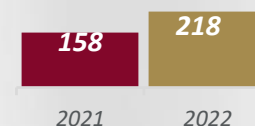
# FY 2022 PERFORMANCE: MAJID AL FUTTAIM LIFESTYLE

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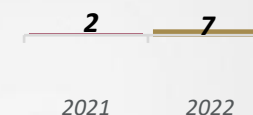
## Operational Highlights

- Sustained strong performance from Lifestyle brands Lululemon, Abercrombie & Fitch, Crate & Barrel
- Moved into beauty category through partnership with Shiseido group

## Revenue (USDmn)



## EBITDA (USDmn)





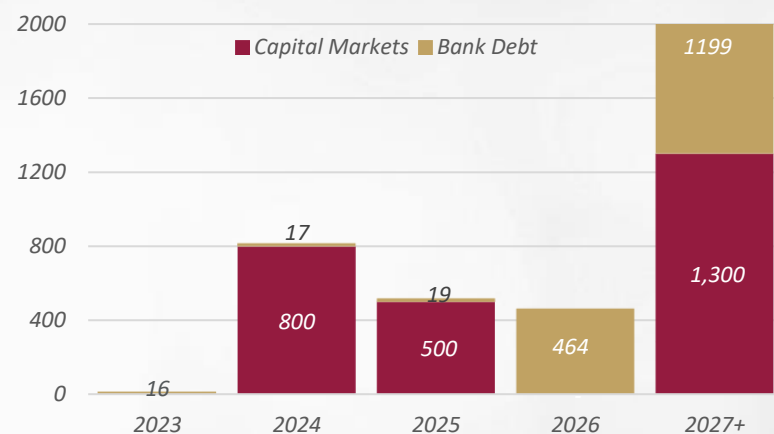
*Financing Overview*



ماجد الفطيم  
MAJID AL FUTTAIM

# GROUP DEBT PROFILE (1/2)

Debt Maturity Profile (USD mn)



All Senior Unsecured financing obligations rank pari passu among themselves

Majid Al Futtaim Group's  
Balanced Funding Profile  
(USD bn)

31 Dec 2022

Notes

Majid Al Futtaim Holding

2.4

Primarily Senior Unsecured obligations at Holding level

Majid Al Futtaim Properties

1.8

Primarily Senior Unsecured obligations at Properties level

Others

0.1

Primarily project finance with limited recourse to parent

**Total**

**4.3**

Majid Al Futtaim Holding

Cross guarantees

Majid Al Futtaim Properties

**\$2.3bn**

Undrawn Available  
Committed Lines

**\$0.5bn**

Green hybrid issuance

**\$1.25bn**

Sustainability Linked  
Loan

**~3 yrs**

Liquidity cover

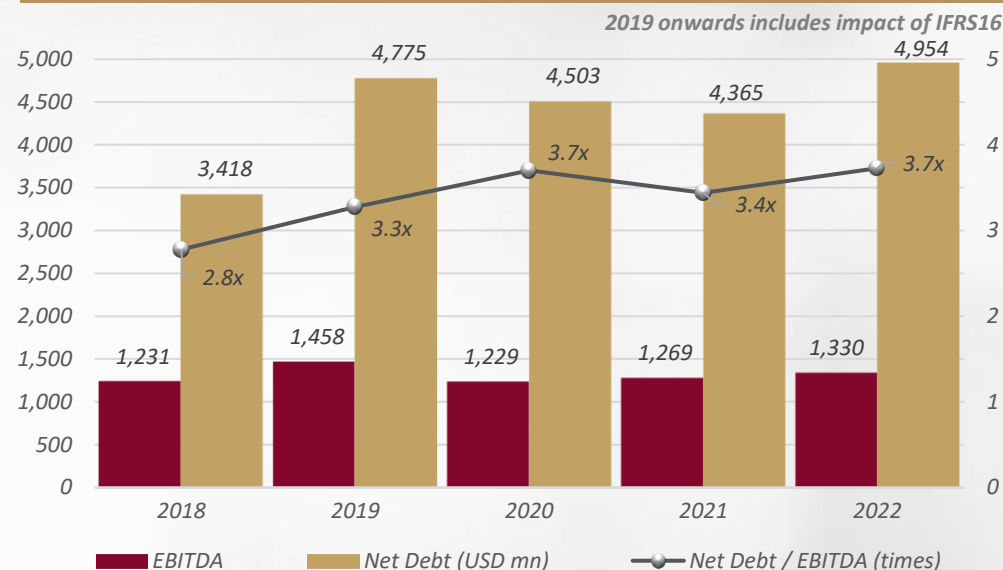
**4.3yrs<sup>1</sup>**

Weighted Average  
Debt Life

<sup>1</sup>USD 0.9BN EQUITY HYBRIDS NOT TAKEN INTO ACCOUNT IN DEBT AND AVERAGE DEBT LIFE CALCULATIONS

## GROUP DEBT PROFILE (2/2)

### Strong Leverage Metrics



### Facilities & liquidity

| Debt Capital Markets Issuances                           | %           | \$bn       |
|--|-------------|------------|
| Bonds  | 12%         | 0.8        |
| Sukuk  | 27%         | 1.8        |
| <b>Total Debt Capital Markets Issuances</b>              | <b>39%</b>  | <b>2.6</b> |
| Bank Facilities  | %           | \$bn       |
| Drawn  | 26%         | 1.7        |
| Undrawn  | 35%         | 2.3        |
| <b>Total</b>   | <b>61%</b>  | <b>4.0</b> |
| <b>Total Bank Commitments &amp; Debt Capital Markets</b> | <b>100%</b> | <b>6.6</b> |
| Less Drawn   |             | (4.3)      |
| Plus Cash <sup>2</sup>                                   |             | 0.5        |
| <b>Total Liquidity</b>                                   |             | <b>2.8</b> |

| Funding Risk Management Framework                  | Policy/Covenant | 31 Dec 2022 | 31 Dec 2021 |
|--|-----------------|-------------|-------------|
| Liquidity Coverage - Months                        | 36              | 27          | 33          |
| Interest Rate Risk - Duration in Years             | 0.5-3.5         | 2.7         | 2.5         |
| EBITDA Interest Cover (x) <sup>1</sup>             | >2.0            | 6.9         | 8.5         |
| Total Net Debt to Total Equity (x)                 | <0.7            | 0.5         | 0.4         |
| EBITDA from encumbered assets as % of total EBITDA |                 | 0%          | 0%          |
| Secured debt as a percentage of Gross Debt         |                 | 0%          | 0%          |

| Investment grade credit ratings | 31 Dec 2022 |
|---------------------------------|-------------|
| Fitch                           | BBB         |
| Standard & Poor's               | BBB         |

<sup>1</sup> EBITDA INTEREST COVER MEANS EBITDA OVER NET FINANCE CHARGES (EXCL IFRS 16 IMPACT)

<sup>2</sup> CASH IS NET OF PROCEEDS AGAINST SALE OF PROPERTY BY TILAL AL GHAF PHASE A LLC, HELD IN ESCROW

# MEASURED GROWTH & STEADY DEVELOPMENT PIPELINE

TRUE TO OUR **COMMITMENT TO OUR CREDIT RATING**, OUR TOP-DOWN **CAPITAL ALLOCATION APPROACH IS MANAGED WITHIN THE DEBT CAPACITY OF THE “BBB” METRICS** AND WITH AN EYE ON **PRUDENT FINANCIAL MANAGEMENT**

## MALL DEVELOPMENT PIPELINE

|     |   |   |
|-----|---|---|
| UAE | <br>Mall of the Emirates | <b>MALL OF THE EMIRATES</b><br>REDEVELOPMENT (WEST END PRECINCT)                          |
| KSA | <br>Mall of Saudi        | <b>MALL OF SAUDI</b><br>SUPER REGIONAL MALL (NORTH RIYADH)<br>GLA: 260,000 M <sup>2</sup> |

## REAL ESTATE DEVELOPMENT PIPELINE

|     |  |   |
|-----|--|---|
| UAE | <br>Tilal Al Ghaf | <b>TILAL AL GHAF</b><br>RESIDENTIAL COMMUNITY DEVELOPMENT |
|-----|--|---|

## KSA CINEMA EXPANSION

|   |                            |
|---|----------------------------|
|  | 2023 planned sites/screens |
| Riyadh  | 2/16                       |
| Jeddah  | 1/15                       |

## IN SUMMARY

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### ***A strong foundation***

- *Strong balance sheet*
  - *Stable cash flow generation*
  - *Best in class corporate governance*
  - *Established track record, reputation & brand*
  - *Diversified sources of funding*
- 



### ***Focused on sustainable growth***

- *Focus on diversification*
  - *Cost optimization and operating efficiencies*
  - *Business performance management*
- 



### ***Appropriately managing the risks***

- *Top down capital allocation*
  - *Stress testing*
  - *Country risk management*
  - *Defined policies & procedures*
-

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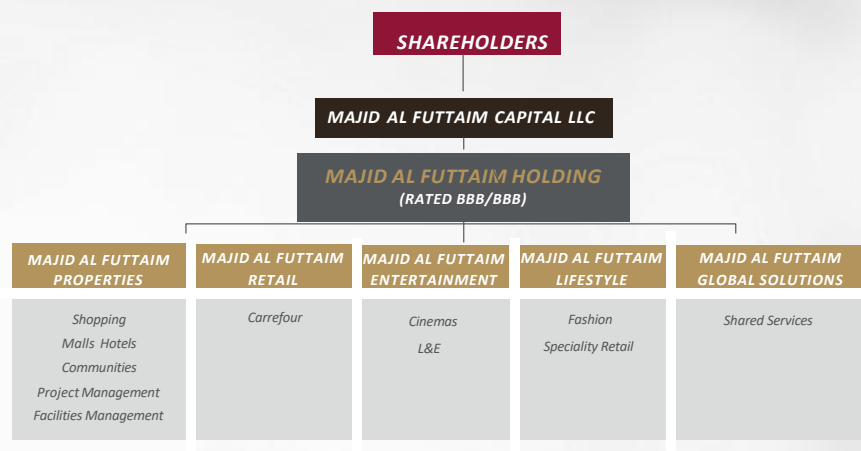
### ***Majid Al Futtaim FY 2022 Performance Update***

#### **Appendix**

- *Majid Al Futtaim Group Overview*  
.....

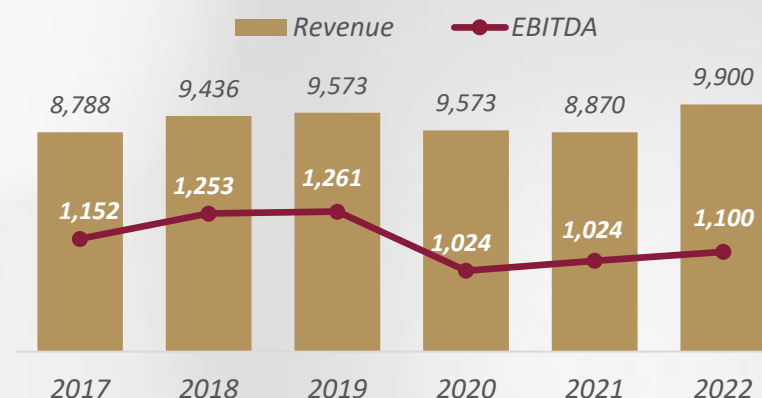
# MAJID AL FUTTAIM GROUP OVERVIEW

## GROUP CORPORATE STRUCTURE



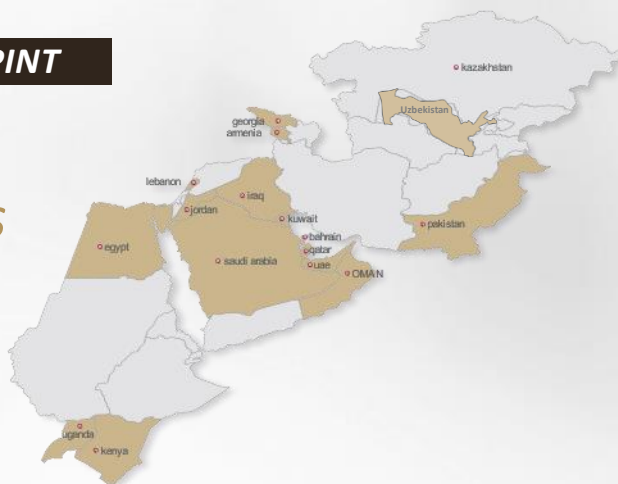
## SOLID TRACK RECORD

Majid Al Futtaim Holding LLC Consolidated Financials (USDmn)



## REGIONAL FOOTPRINT

**16** countries  
since 1992



## BEST IN CLASS GOVERNANCE PRINCIPLES

- Voluntarily adopted the principles of the Combined Code on Corporate Governance for listed companies in the UK
- Strong operating company board structures reporting to a group board

## HIGHEST RATED PRIVATELY OWNED CORPORATE IN THE GCC

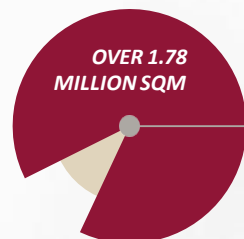
| Rating Agency     | Rating | Outlook | Latest Affirmation Date |
|-------------------|--------|---------|-------------------------|
| Standard & Poor's | BBB    | Stable  | 2022                    |
| Fitch Ratings     | BBB    | Stable  | 2022                    |

# BUSINESS OVERVIEW: MAJID AL FUTTAIM PROPERTIES

## GROUP'S CORE BUSINESS

### OVERVIEW OF MAJID AL FUTTAIM PROPERTIES

**29** SHOPPING MALLS  
SUCCESSFULLY  
OPERATING  
IN 5 COUNTRIES ACROSS THE MIDDLE  
EAST AND NORTH AFRICA



OVER 1.8  
MILLION SQM OF  
GLA OF PRIME  
RETAIL SPACE  
AND EXPANDING



3 new projects  
under development



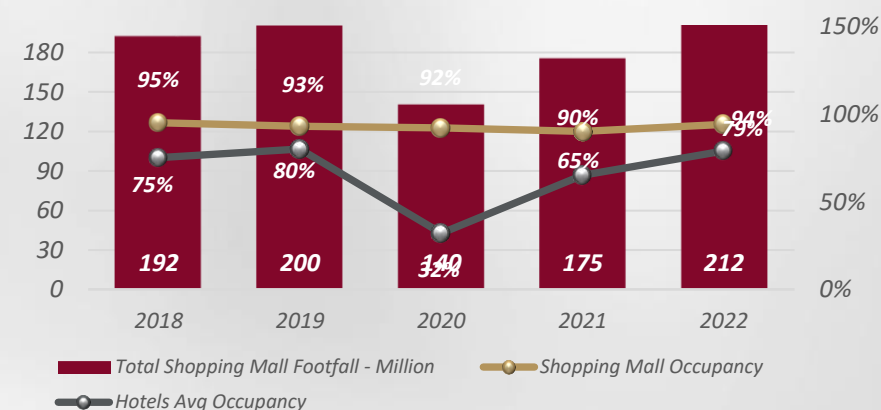
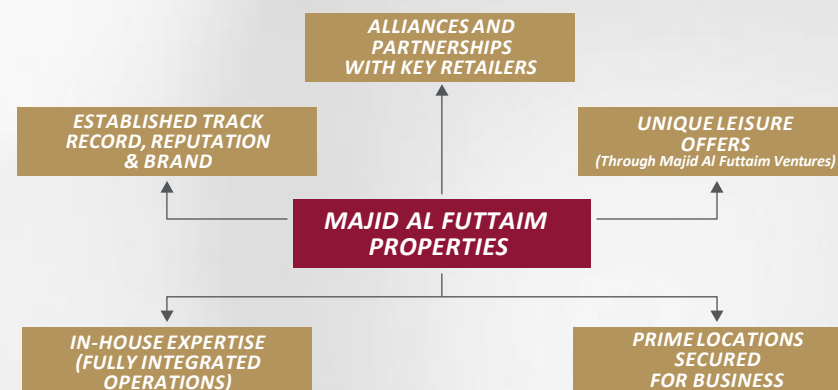
13 Hotels  
11 in UAE  
2 in Bahrain

212  
MILLION

VISITORS YTD 2022  
ACROSS ALL OF  
OUR MALLS



### MAJID AL FUTTAIM PROPERTIES' KEY STRENGTHS



# MAJID AL FUTTAIM PROPERTIES (1/2)

UAE



**Mall of the Emirates**  
Opened: 2005 , 245k m<sup>2</sup> GLA  
Occupancy Rate : 98%



**City Centre Mirdiff**  
Opened: 2010 , 193k m<sup>2</sup> GLA  
Occupancy Rate : 92.8%



**City Centre Deira**  
Opened: 1995 , 116k m<sup>2</sup> GLA  
Occupancy Rate : 97.5%



**City Centre Me'aisem**  
Opened: 2015 , 22k m<sup>2</sup> GLA  
Occupancy Rate : 90%



**City Centre Al Shindagha**  
Opened: 2016 , 22k m<sup>2</sup> GLA  
Occupancy Rate : 91.6%



**City Centre Sharjah**  
Opened: 2001 , 50k m<sup>2</sup> GLA  
Occupancy Rate : 96.5%



**City Centre Ajman**  
Opened: 1998 , 55k m<sup>2</sup> GLA  
Occupancy Rate : 98.6%



**City Centre Fujairah**  
Opened: 2012 , 31k m<sup>2</sup> GLA  
Occupancy Rate : 98.9%



**My City Centre Nasseriya**  
Opened: 2014 , 5k m<sup>2</sup> GLA  
Occupancy Rate : 97.8%



**My City Centre Al Barsha**  
Opened: 2016 , 4k m<sup>2</sup> GLA  
Occupancy Rate : 95.6%



**My City Centre Al Dhait**  
Opened: 2018 , 5k m<sup>2</sup> GLA  
Occupancy Rate : 82.3%



**My City Centre Masdar**  
Opened: 2019 , 18k m<sup>2</sup> GLA  
Occupancy Rate : 84.4%

# MAJID AL FUTTAIM PROPERTIES (2/2)

UAE



**City Centre Al Zahia**  
Opened: 2021 , 133k m<sup>2</sup>GLA  
Occupancy Rate : 84.8%

EGYPT



**City Centre Maadi**  
Opened: 2002 , 28k m<sup>2</sup>GLA  
Occupancy Rate : 100%



**City Centre Alexandria**  
Opened: 2003 , 61k m<sup>2</sup> GLA  
Occupancy Rate : 100%



**Mall of Egypt**  
Opened: 2017 , 170k m<sup>2</sup>GLA  
Occupancy Rate : 94.2%

EGYPT



**City Centre Al Maza**  
Opened: 2019 , 100k m<sup>2</sup>GLA  
Occupancy Rate : 95.3%

BAHRAIN



**City Centre Bahrain**  
Opened: 2008 , 153k m<sup>2</sup>GLA  
Occupancy Rate : 94.6%

LEBANON



**City Centre Beirut**  
Opened: 2013 , 60k m<sup>2</sup>GLA  
Occupancy Rate : 85.2%

OMAN



**City Centre Muscat**  
Opened: 2001 , 67k m<sup>2</sup> GLA  
Occupancy Rate : 99.5%

OMAN



**City Centre Qurum**  
Opened: 2005 , 26k m<sup>2</sup>GLA  
Occupancy Rate : 94.4%



**My City Centre Sur**  
Opened: 2018 , 16k m<sup>2</sup>GLA  
Occupancy Rate : 89%



**City Centre Suhar**  
Opened: 2019 , 35k m<sup>2</sup>GLA  
Occupancy Rate : 90.4%



**Mall of Oman**  
Opened: 2021 , 134k m<sup>2</sup>  
GLA Occupancy Rate : 94%

# BUSINESS OVERVIEW: MAJID AL FUTTAIM RETAIL

## GENERATING STEADY CASHFLOWS

### OVERVIEW OF MAJID AL FUTTAIM RETAIL

**458** Carrefour Outlets

North Africa and CIS Regions  
In 16 countries Across the Middle East,



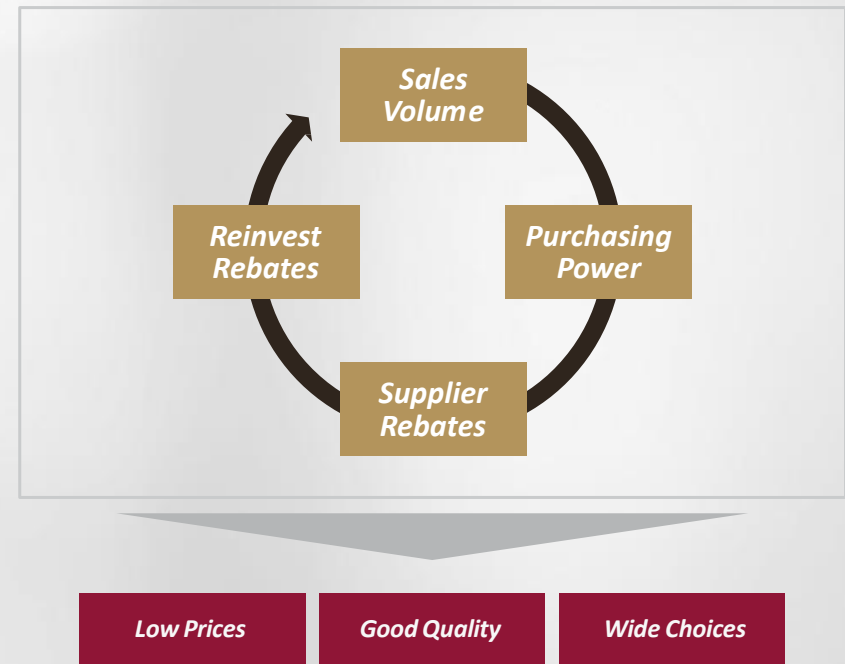
**35**  
New stores  
opened in  
2022

**Exclusive Franchise Rights for over 30 Countries**  
Across the Middle East,  
North Africa and CIS Regions

- **Majid Al Futtaim Hypermarkets is a wholly owned subsidiary since 25 June 2013** when Majid Al Futtaim acquired the remaining 25% from Carrefour SA. As part of the transaction, Majid Al Futtaim also renewed its exclusive franchise partnership with the Carrefour group until 2025 and extended it to an additional 19 new countries.
- Carrefour charges a sale-based franchise fee and provides approval on new store openings.

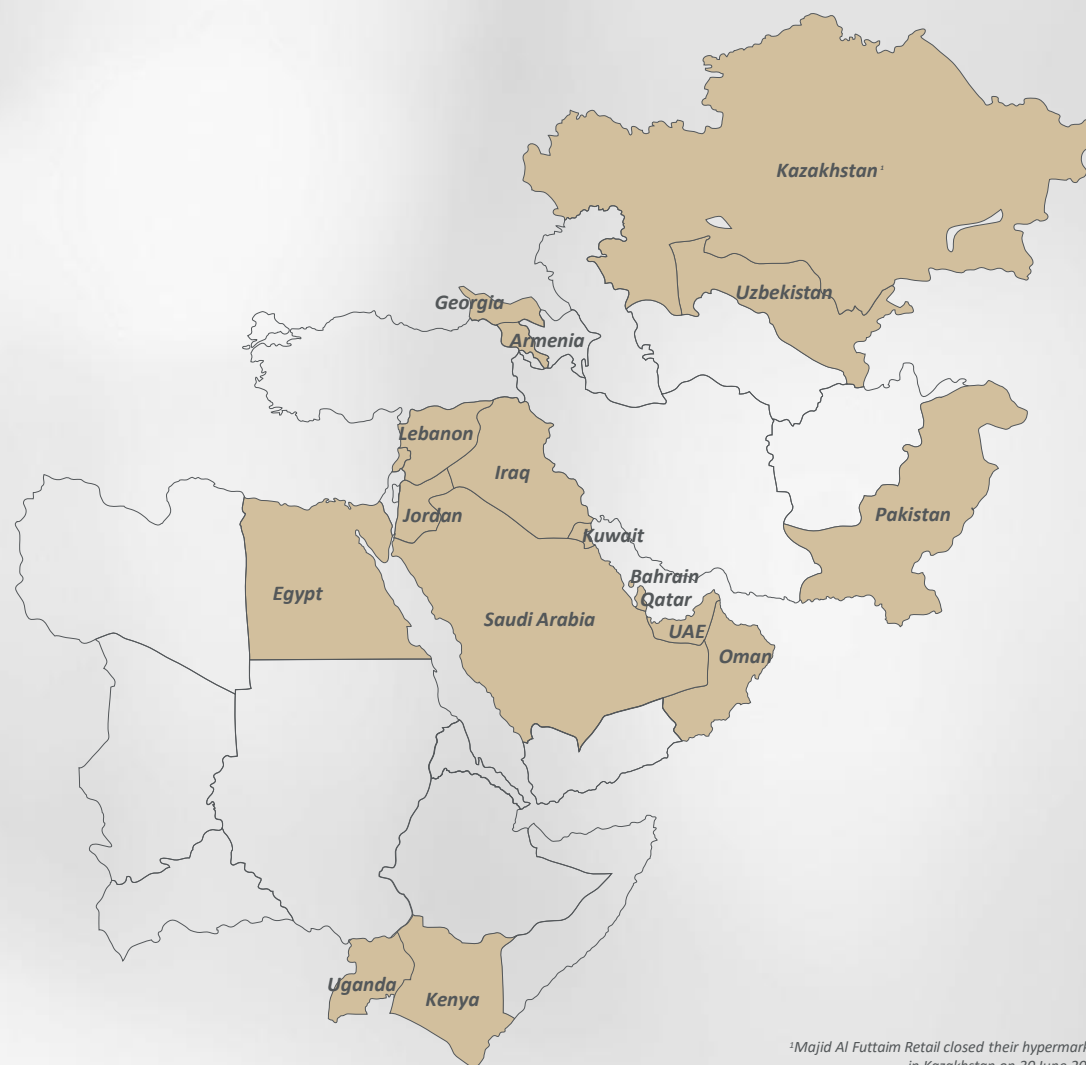
### OPERATING FRAMEWORK

- Majid Al Futtaim Retail aims to capitalize on its strong supply chain and procurement procedures to deliver value to its customers.



# MAJID AL FUTTAIM RETAIL

| Country  | Hyper      | Super      |
|--|------------|------------|
|  UAE          | 32         | 90         |
|  Oman         | 14         | 2          |
|  Pakistan     | 8          | 2          |
|  Bahrain      | 9          | 4          |
|  Armenia      | 0          | 10         |
|  Egypt        | 19         | 44         |
|  Jordan       | 6          | 45         |
|  Kuwait       | 3          | 6          |
|  Lebanon      | 3          | 4          |
|  Kenya        | 9          | 10         |
|  KSA          | 21         | 5          |
|  Qatar       | 5          | 5          |
|  Iraq       | 4          | 5          |
|  Georgia    | 5          | 75         |
|  Uganda     | 1          | 6          |
|  Uzbekistan | 2          | 4          |
| <b>TOTAL</b>   | <b>141</b> | <b>317</b> |



<sup>1</sup>Majid Al Futtaim Retail closed their hypermarket in Kazakhstan on 30 June 2017 but continue to retain the country head office

# BUSINESS OVERVIEW: MAJID AL FUTTAIM ENTERTAINMENT & LIFESTYLE

## Majid Al Futtaim Entertainment LLC

Provides unique leisure offerings to Majid Al Futtaim malls

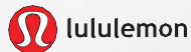


581

Cinema Screens  
Across the MENA Region

## Majid Al Futtaim Lifestyle LLC

ALLSAINTS



Crate&Barrel



Spread across the GCC



# ROBUST GOVERNANCE STRUCTURE

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## GOVERNANCE PRINCIPLES

- *Majid Al Futtaim places considerable emphasis on governance and transparency within its operational framework.*
- ✓ *The company has voluntarily adopted the principles of the Combined Code on Corporate Governance for listed companies in the UK across all areas of its business*
- ✓ *Strong operating company Board structures reporting to a group Board*
- ✓ *Set out the principles of Corporate Governance across each of the group's operating entities and geographies*
- *Majid Al Futtaim has obtained a Strong management & governance (M&G) score by S&P across its universe of rated entities in the Gulf region – one of the two only entities that such score has been awarded*

## BOARD RESPONSIBILITIES

### *Majid Al Futtaim Holding Board*

*The Board of Majid Al Futtaim Holding provides independent oversight to protect shareholders' interests:*

- 1) Acting as shareholder of operating companies;*
- 2) Controlling decisions related to strategic new businesses / markets or divestments; and*
- 3) Via managing Funding and Capital allocation*

### *Operating Companies Boards*

*Each operating company maintains its own Board of Directors responsible for setting strategic goals, measurement of the success of the businesses in achieving objectives and maintaining corporate accountability. Chairmen of the Operating Company boards are members of the Holding Board of Directors*

# MAJID AL FUTTAIM HOLDING BOARD OF DIRECTORS



**Sir Michael Rake**  
Chairman

Chairman of Phoenix Global Services  
and Wireless Logic Group  
Former Chairman of BT Group and  
KPMG International



**Sir Ian Davis**  
Non-Executive Director

Chairman of Rolls Royce and former  
Worldwide Managing Director at  
McKinsey & Company



**Tariq Al Futtaim**  
Non-Executive Director

Former chairman of the Majid Al  
Futtaim Charity Foundation



**Alan Keir**  
Non-Executive Director

Non Executive Director at HSBC  
UK Bank Plc  
Non Executive Director at Sumitomo  
Mitsui Banking Corporation



**Victor Chu**  
Non-Executive Director

Chairman of First Eastern  
Investment Group  
Co-founder and director of Peach  
Aviation



**Lord Rose**  
Non-Executive Director

Chairman of Ocado and  
Non Executive Director of Woolworths  
Holding Limited  
Former CEO of Marks and Spencer plc



**Luc Vandeveld**  
Non-Executive Director

Founder and Chairman of Change  
Capital Partners LLP  
Former Chairman of the Carrefour  
Group and Mark and Spencer



**Philip Bowman**  
Non-Executive Director

Independent Director of Ferrovial S.A  
Former Chief Executive of Smiths  
Group plc and Director of Burberry  
Group



**Ahmed Ismail**  
Chief Executive Officer of  
Majid Al Futtaim Holding

Former Chief Executive Officer of  
Majid Al Futtaim - Properties