



2023

# Marjan Corporate Presentation

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# Table of Contents

---

- 01** United Arab Emirates Overview
- 02** Ras Al Khaimah Overview
- 03** Ras Al Khaimah Hospitality Sector Overview
- 04** Marjan Corporate Overview
- 05** Al Marjan Island



# United Arab Emirates Overview

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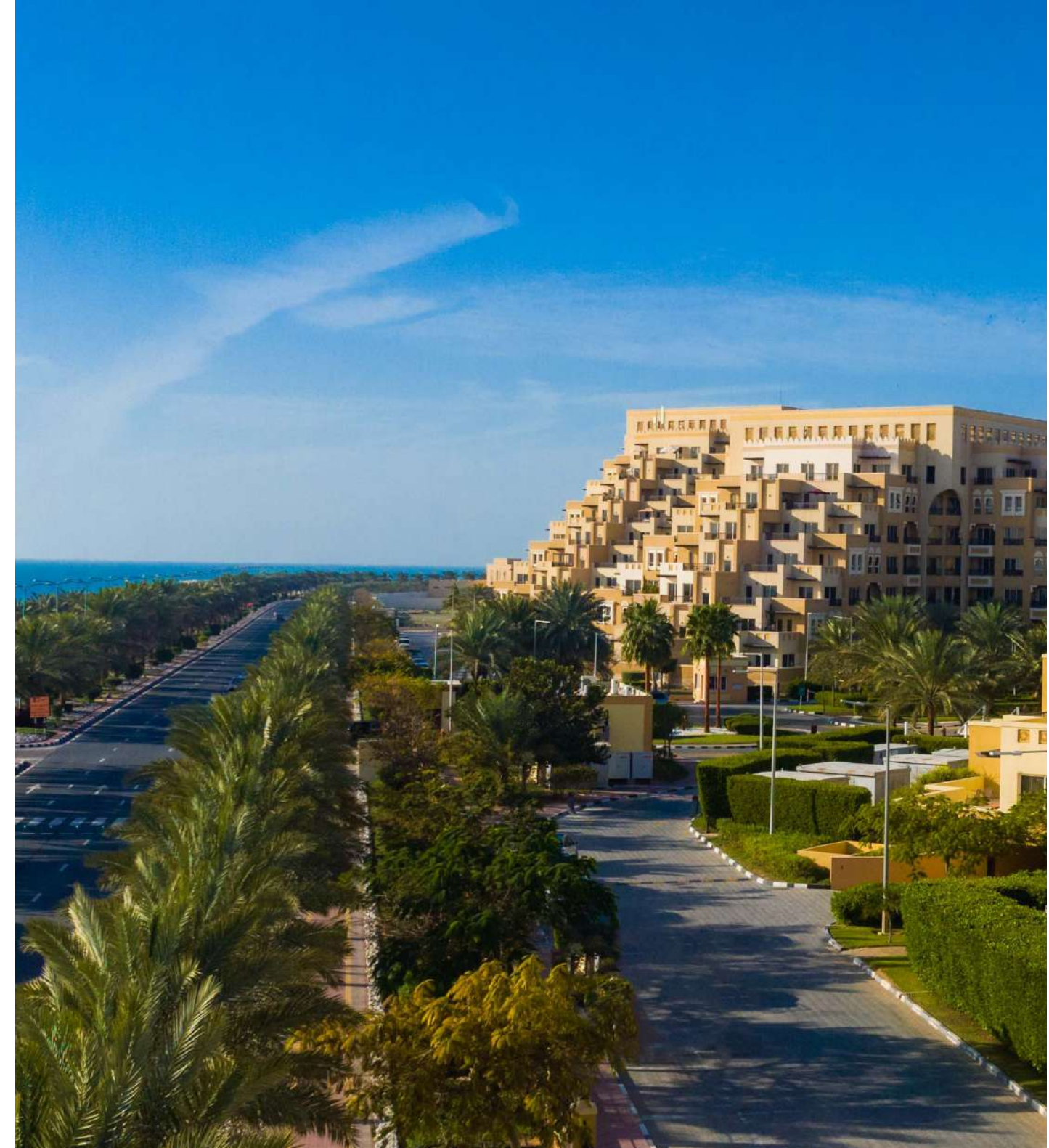
## 01 United Arab Emirates Overview

## 02 Ras Al Khaimah Overview

## 03 Ras Al Khaimah Hospitality Sector Overview

## 04 Marjan Corporate Overview

## 05 Al Marjan Island



# United Arab Emirates – Fast Facts

200+ Nationalities

10  
million  
UAE population

#1  
Country where People  
Feel Safe Walking  
Alone

#1  
In The Middle East  
Gender parity in  
government (50/50)

#18  
Globally in government  
gender parity

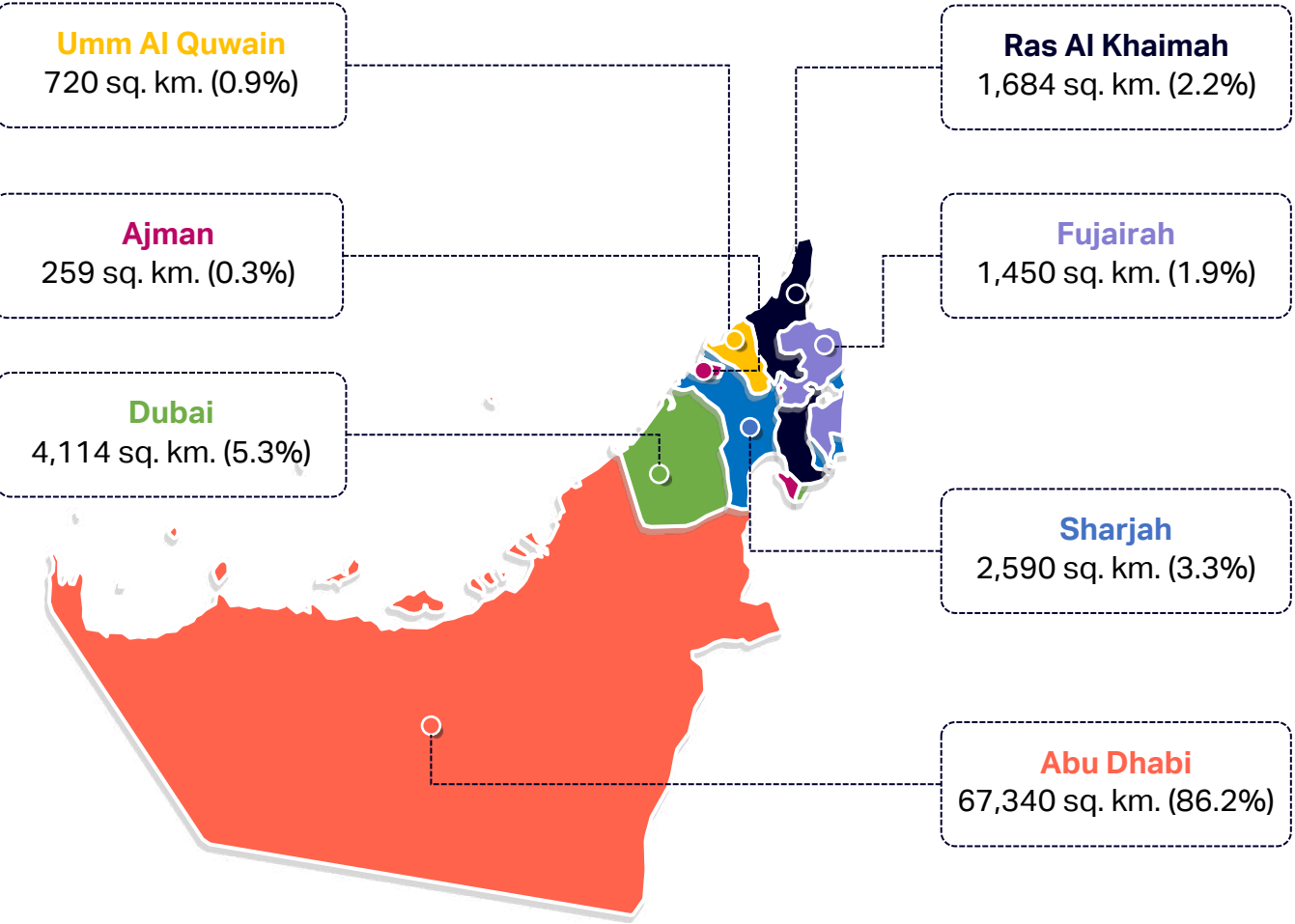


Source: RAKTDA

# United Arab Emirates Overview

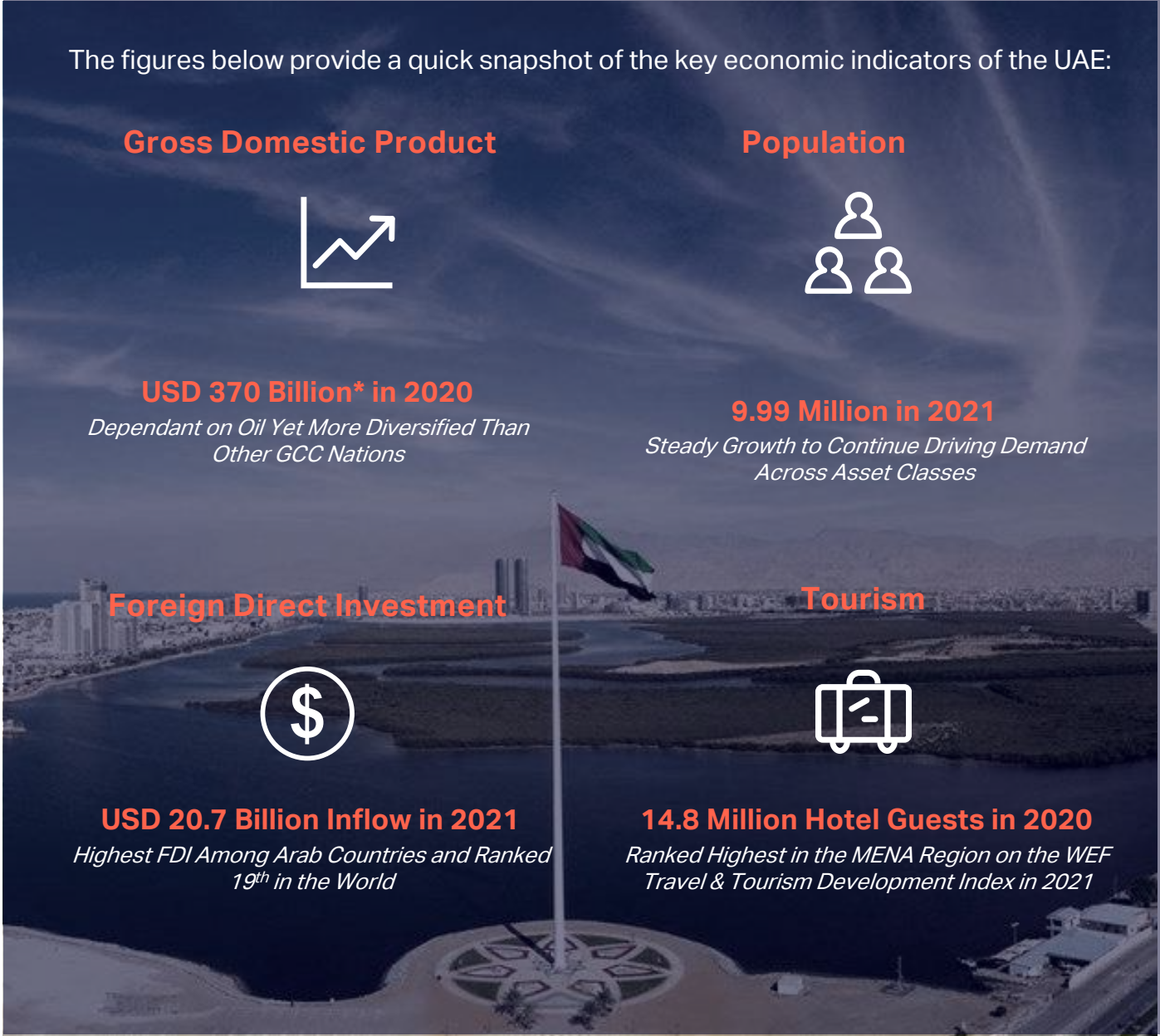
*The UAE's strong market fundamentals continue to draw foreign direct investment into the country*

The United Arab Emirates is a federation of seven Emirates founded in 1971, with Abu Dhabi as the capital. The below table and map provide an overview of each Emirate, including location and land area.



Source: Marjan, World Bank, UNCTAD World Investment Report 2022, WEF Travel & Tourism Development Index 2021

\* Constant 2015 USD



# United Arab Emirates Overview

*The UAE offers investors modern infrastructure, a favourable business environment, political and economic stability, and geographic advantages*

## Political and Economic Stability

- One of the most stable political systems in the greater Arab region.
- Strong economic growth.
- Diversified and business-friendly economy.
- UAE's currency is pegged to the US dollar which offers additional stability.

## Geographic Advantages

- Strategically located on the axis of the GCC, Asia and Africa
- Direct trade routes to growing GCC market as well as India and Africa
- Highly developed ports and access to major routes



## Favourable Business Environment

- Highest ranked economy in the Middle East and North Africa in the "Doing Business" report issued by the World Bank.
- Hosts 400 of all the world's Fortune 500 companies.

## Modern Infrastructure

- High-end telecommunication facilities and IT infrastructure
- Premium logistics infrastructure

# Ras Al Khaimah Overview

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**01** United Arab Emirates Overview

**02** Ras Al Khaimah Overview

**03** Ras Al Khaimah Hospitality Sector Overview

**04** Marjan Corporate Overview

**05** Al Marjan Island



# Strategically Connected

*Ras Al Khaimah is well located at the intersection of Europe, Asia and Africa*



Source: Marjan, RAKTDA

# Destination Connectivity

Various airports in the UAE offer Ras Al Khaimah connectivity to all major destinations across Europe, Asia and the Middle East



Source: RAKTDA

# Overview of Ras Al Khaimah

*The below summarizes key attributes of the Ras Al Khaimah market*



**Economic Growth and Diversification**



**Growing Hospitality Market**



**'A' Positive Outlook Affirmed by Fitch**



**Business-Friendly Regulatory Environment**



**Strategic Location & Connectivity**



**Transparent Legal Framework**



**Strong Leisure Demand**



**A Secure Investment Market**

Source: Marjan, IDO

# Ras Al Khaimah's Future Prospects

*The below summarizes the key advantages that Ras Al Khaimah offers investors*

1

## Excellent Accessibility

- RAK International Airport expansion
- Multiple seaports and marinas
- E311 and E611 highways connect AUH and DXB to RAK
- Upcoming Etihad Railway
- More than 70% of the world's population can travel to RAK in less than 8 hours flight

2

## Excellent Positioning

- Hotels in RAK are heavily reliant on attracting price sensitive guests with a proposition of a superior product offering at an affordable rate.
- Such positioning ensures that RAK complement other regional destination instead of competing with them.

3

## Changing Demographics

- RAK's population is expected to grow by more than 11% in less than 5 years.
- Household formation is on the hike.

4

## Excellent Marketing

- RAK Tourism Development Authority has been working diligently to promote RAK as a new beach resort destination.
- RAKTDA's effort to promote the Emirate has been successful so far and can be felt through widening regional and international awareness, and increasing tourist arrivals.

5

## Improving Economy

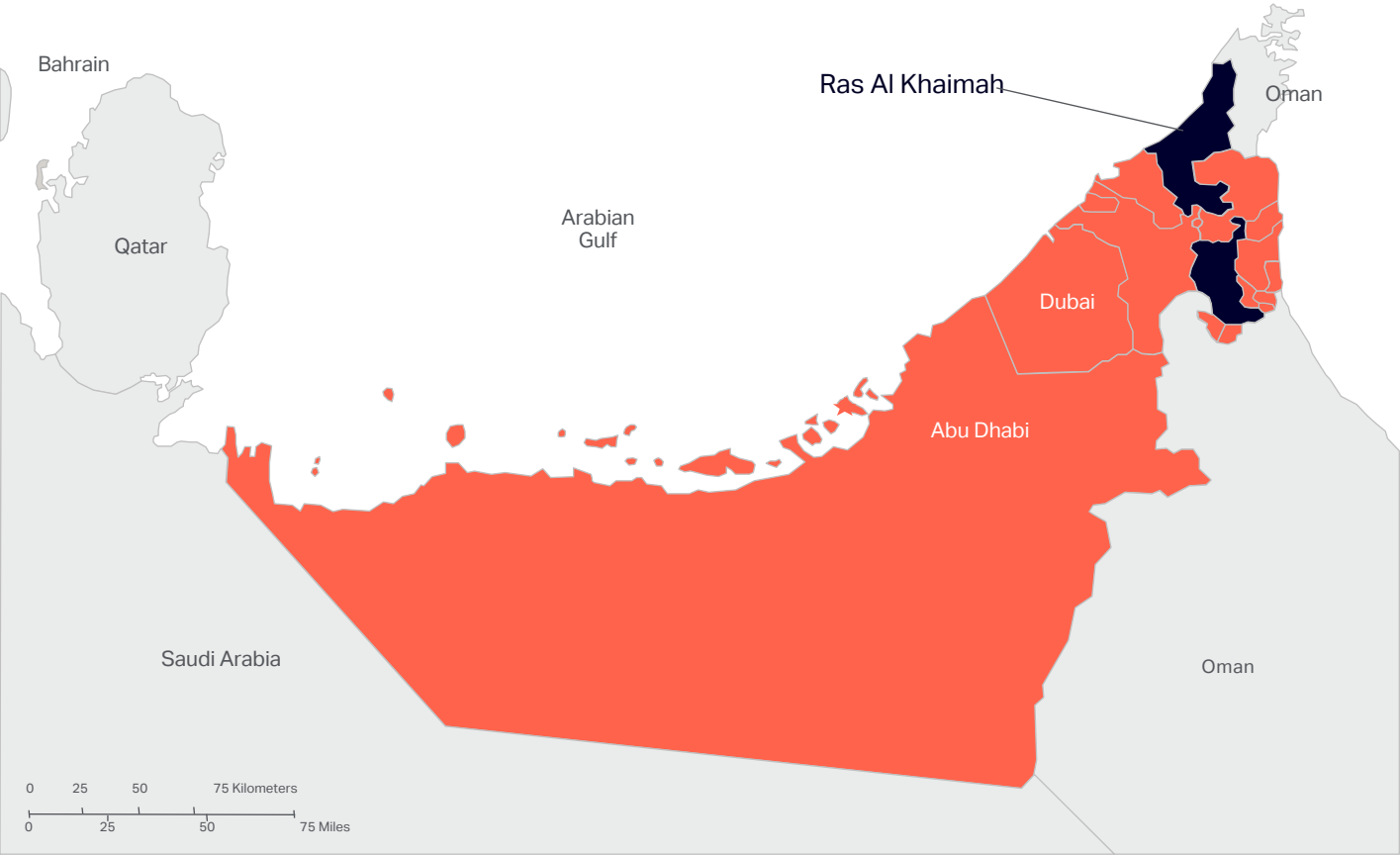
- Diversified economy with no single segment contributing more than 20% of its GDP.
- RAK Investment Authority's Free Zones initiative is boosting corporate presence, and white-collar workers population.

6

## Investments in Infrastructure

- Improved retail offerings within the city (Hamra Mall, Manar Mall..)
- Investments in sports infrastructure and the world's longest and highest zip line in Jebel Jais.
- Investments in leisure and entrainment in the form of theme parks, and amusement parks.

# Emirate of Ras Al Khaimah Overview



<b>Ratings</b>	S&P: 'A-' Outlook Stable Fitch: 'A' Outlook Positive
<b>Nominal GDP, 2021</b>	AED 40 bn ~ US\$ 11 bn
<b>Government Debt, 2021</b>	9.2% of GDP
<b>Population, 2021</b>	0.4 Million
<b>Key GDP Components</b>	Manufacturing, Trade, Tourism, Financial Services, Construction, Real Estate

Source: Marjan, RAKCSS, Fitch Ratings, IDO

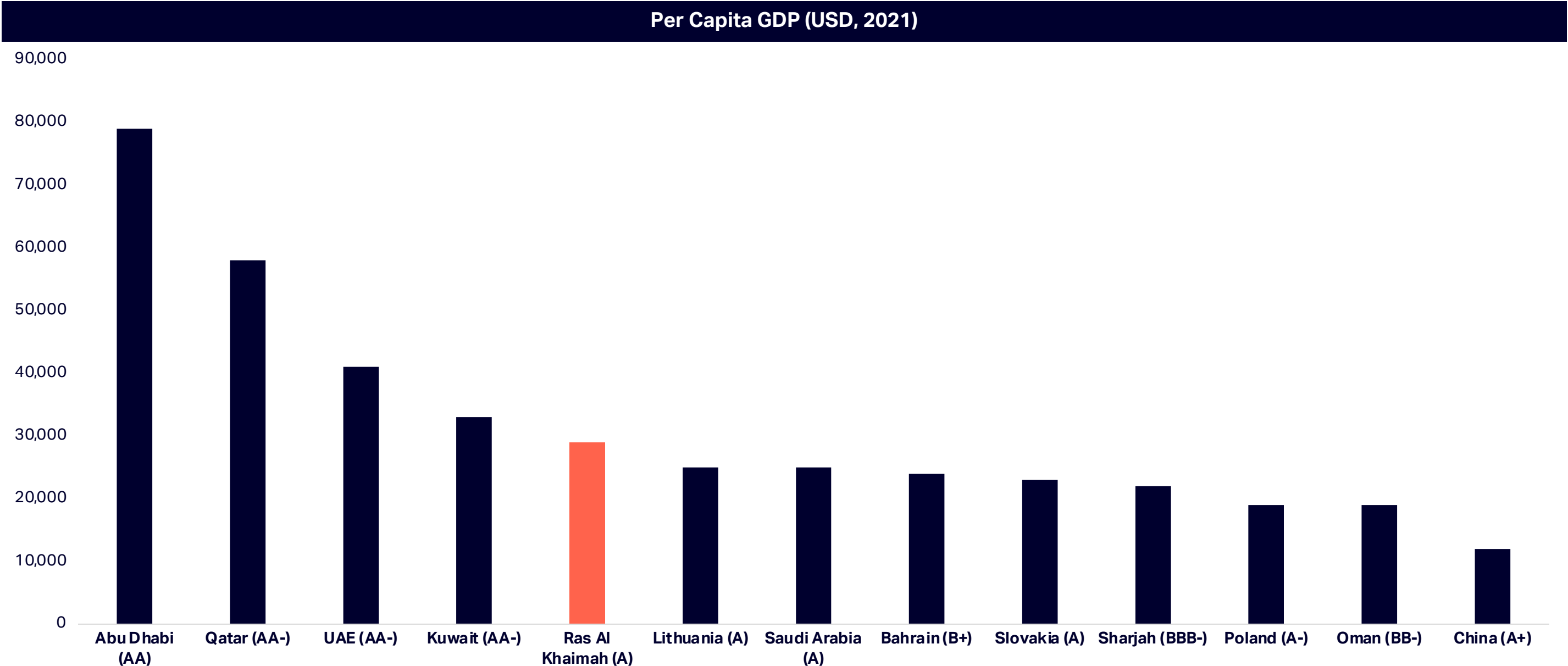


- The Emirate has a long track record of political and social stability and strong public finances.
- Ras Al Khaimah has been consistently rated in the A range by both Fitch Ratings and Standard and Poor's since initiating sovereign ratings over a decade ago.
- RAK's economy is well-diversified. The hydrocarbon extractive industry plays a negligible role in RAK's economy, while a diverse manufacturing base makes up around a quarter of GDP.
- RAK offers an attractive business environment. In 2019, the Emirate ranked 30th for ease of doing business among 190 economies according to the World Bank's global survey, significantly better than the GCC average.

Source: IDO

# High Per Capita GDP Among Rating Peers And Neighboring Countries

*Ras Al Khaimah's GDP per Capita is amongst the highest with respect to neighbouring emirates and countries*

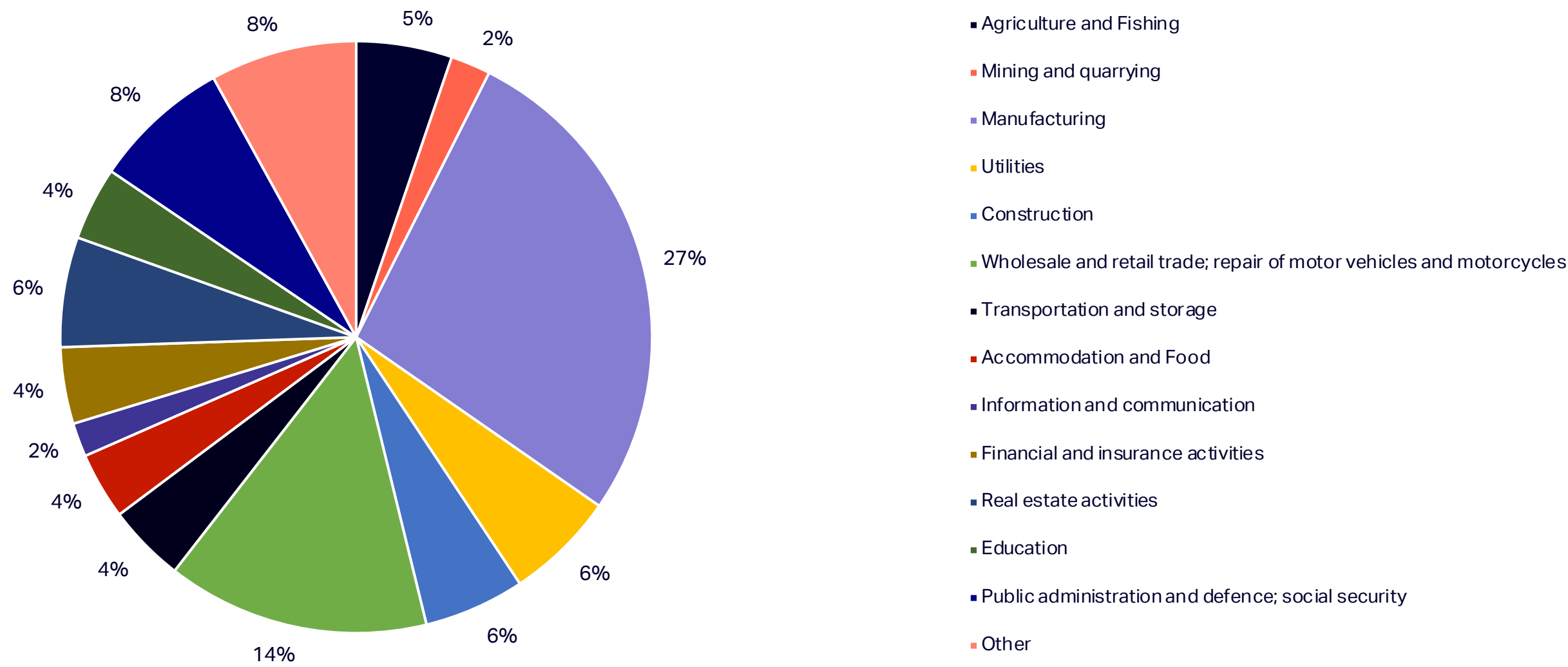


Source: Marjan, IDO

# Diverse Economic Base

*Ras Al Khaimah's economic activity is well diversified across several industry types*

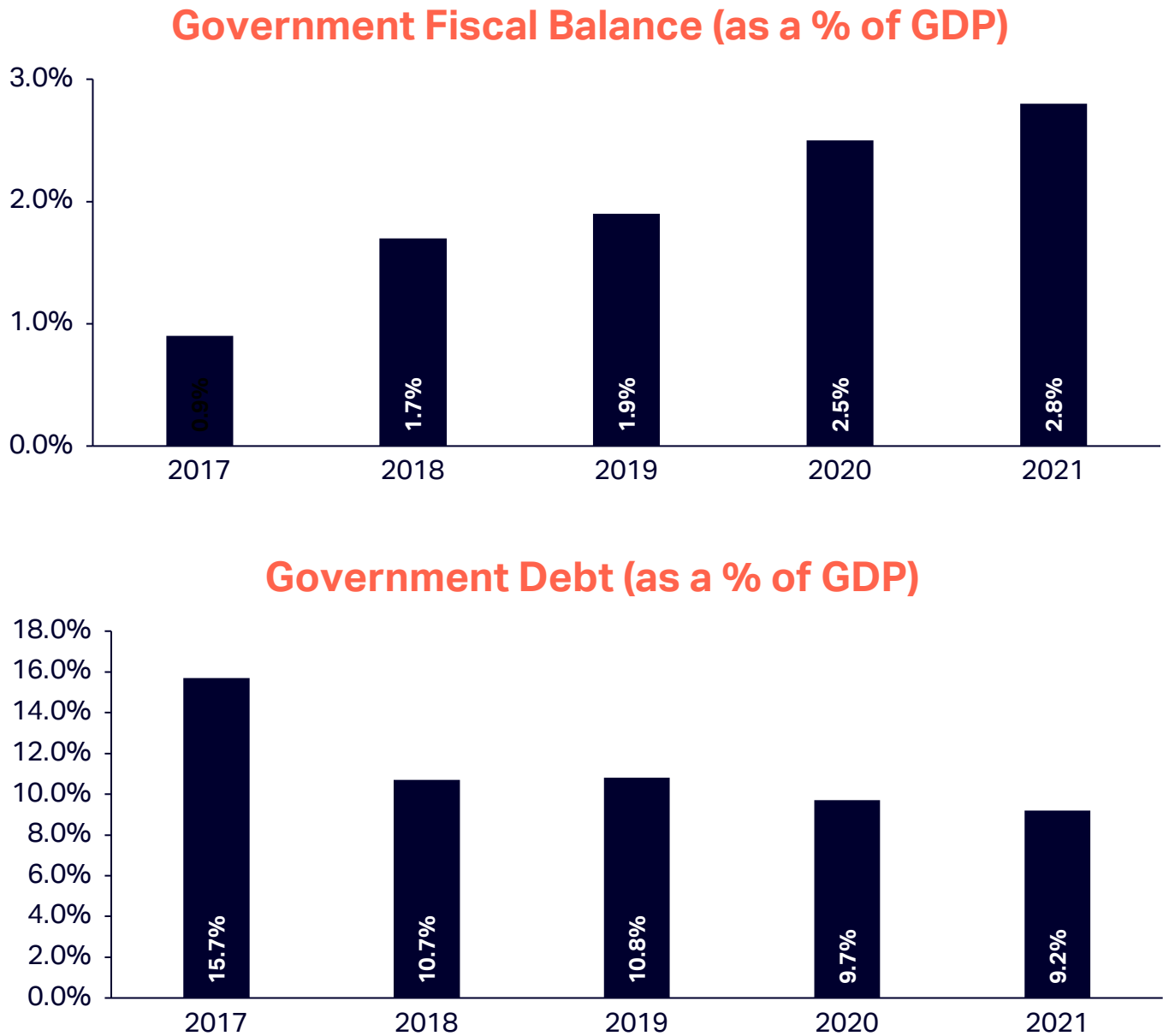
**Percentage Distribution of Gross Domestic Product by Economic Activity at Current Prices (2021)**



Source: Marjan, RAKCSS

# Fiscal Prudence And Low Debt

Ras Al Khaimah's fiscal prudence and low debt reinforce its economic resiliency



Source: Marjan, IDO, Fitch Ratings

### Ras Al Khaimah's Rating Strengths

Selection of Quotes from Agencies

*"Ras Al Khaimah's economy is diversified compared with many others in the region."*

*"Low indebtedness, largely covered by deposits."*

*"Credible USD peg and absence of exchange controls."*

*"Low external risks."*

*"We expect **the planned integrated resort**, to be operated by Wynn Resorts on Al Marjan Island, to weigh on public finances initially, but to **boost growth prospects and fiscal revenue in the long term**"*

# Ras Al Khaimah's Identity

*Ras Al Khaimah may be characterized by its culture and history, as well as its varied landscape*

## Culture



- Archeological findings dating back to 5,000 BC
- Area continuously inhabited for 7,000 years
- 18 historic forts, castles, and towers
- Offers unique perspective of UAE and RAK heritage

## Mountains



- Jebel Jais, the UAE's tallest mountain at 1,900 meters
- Offers views of the coastline and valleys
- Up to 20 degree temperature differential to the coastline
- Offers hiking, rock-climbing, off-road trails and longest zipline in the world.

## Desert



- One of the UAE's most accessible pristine deserts
- Easily accessible from both the beach and the mountains
- Unique fauna and flora and dedicated nature reserves
- Offers off-roading, camping and safari experience

## Coastline



- 43 kilometers of pristine coastline
- Golden-sand beaches and crystal-clear waters
- Natural mangroves
- Offers water sport activities

# Why Invest in Ras Al Khaimah (1/2)

*100% Foreign Ownership, 0-9% Corporate Tax, and Long-Term Residency Through Investment are just some of the reasons why investing in Ras Al Khaimah is so attractive*



- Added security in a grown and stable economy, which is diversified in four main sectors: real estate, tourism, manufacturing and trading.
- Ras Al Khaimah is strategically located on the axis of the GCC, Asia and Africa.
- As other competing regional destinations become more expensive and saturated, Ras Al Khaimah can arise as a new attractive, distinguished, yet affordable destination.
- Diversified natural settings that other regional destinations lack.


### Reasons to Invest in Ras Al Khaimah

<div>100%</div> <div>Foreign Ownership</div> <div></div>	<div>100%</div> <div>Repatriation of Capital &amp; Profits</div> <div></div>	<div>100%</div> <div>Availability of Utilities</div> <div></div>
<div>0% - 9%*</div> <div>Corporate Tax</div> <div></div>	<div>0%</div> <div>Personal Tax</div> <div></div>	<div>Long-Term Residency by Investment</div> <div></div>

\* Depending on company type, activity & setup

# Why Invest in Ras Al Khaimah (2/2)

*Investors in Ras Al Khaimah can capitalize on lower development costs and tourism growth to achieve attractive returns*



## Reasons to Invest in Ras Al Khaimah

- Attractive Returns**  
↑\$↑
  - Equity **IRR of 16%** for hospitality assets.
  - Equity **IRR of 20 – 30%** on residential assets.
- Low Development Cost**  
\$↓
  - Approximately **10% lower** than regional average.
- Tourism Growth**  
🚶
  - Ras Al Khaimah has experienced tremendous growth in its hospitality market over the past few years.

Source: Marjan

# Ras Al Khaimah's Initiatives to Support Tourism – NYE Fireworks

*Ras Al Khaimah's NYE Fireworks Show has set 9 Guinness World Records*



- Ras Al Khaimah has been organizing New Year Eve firework events since 2017 and gained significant attention both locally and internationally.
- This has provided significant boosts in terms of visitors' arrivals and overall revenue and occupancy for the hospitality establishments.
- Furthermore, Ras Al Khaimah has received nine (9) Guinness Book of World Records awards during this same period demonstrating the impact of the fireworks display for the emirate.

## Guinness World Records

1. *Longest Chain Of Fireworks*
2. *Longest Straight Line Of Fireworks*
3. *Largest Aerial Firework Shell*
4. *Most Remote Operated Multirotors / Drones Launching Fireworks Simultaneously*
5. *Most Unmanned Aerial Vehicles For Launching Fireworks Simultaneously*
6. *Longest Fireworks Waterfall*
7. *Highest Altitude Multirotor / Drone Fireworks Display*
8. *Largest number of operated multi-rotors/drones with a simultaneous fireworks display*
9. *Largest aerial sentence formed by multirotors/drones*

Source: Marjan

# Ras Al Khaimah Hospitality Sector Overview

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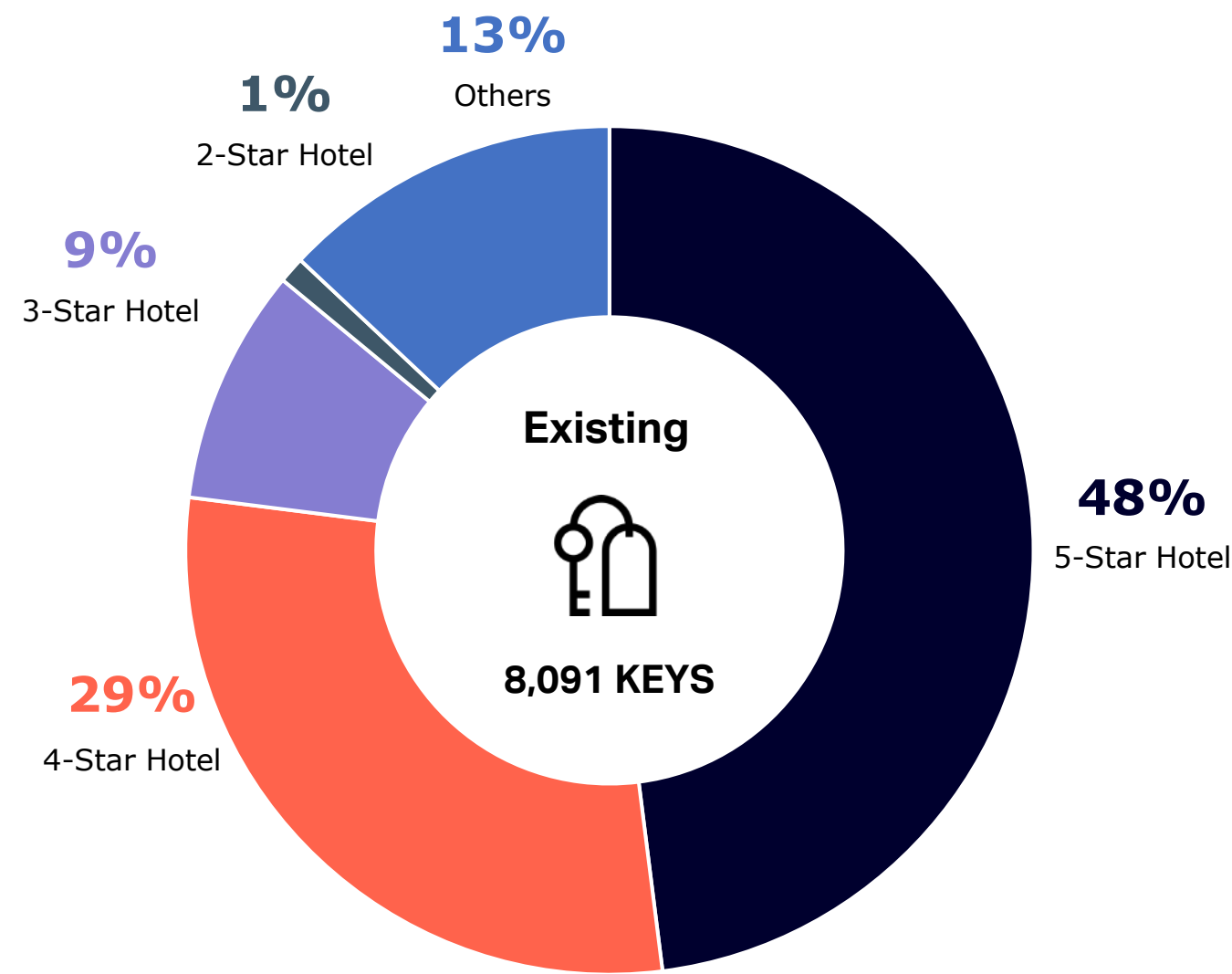
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- 05** Al Marjan Island



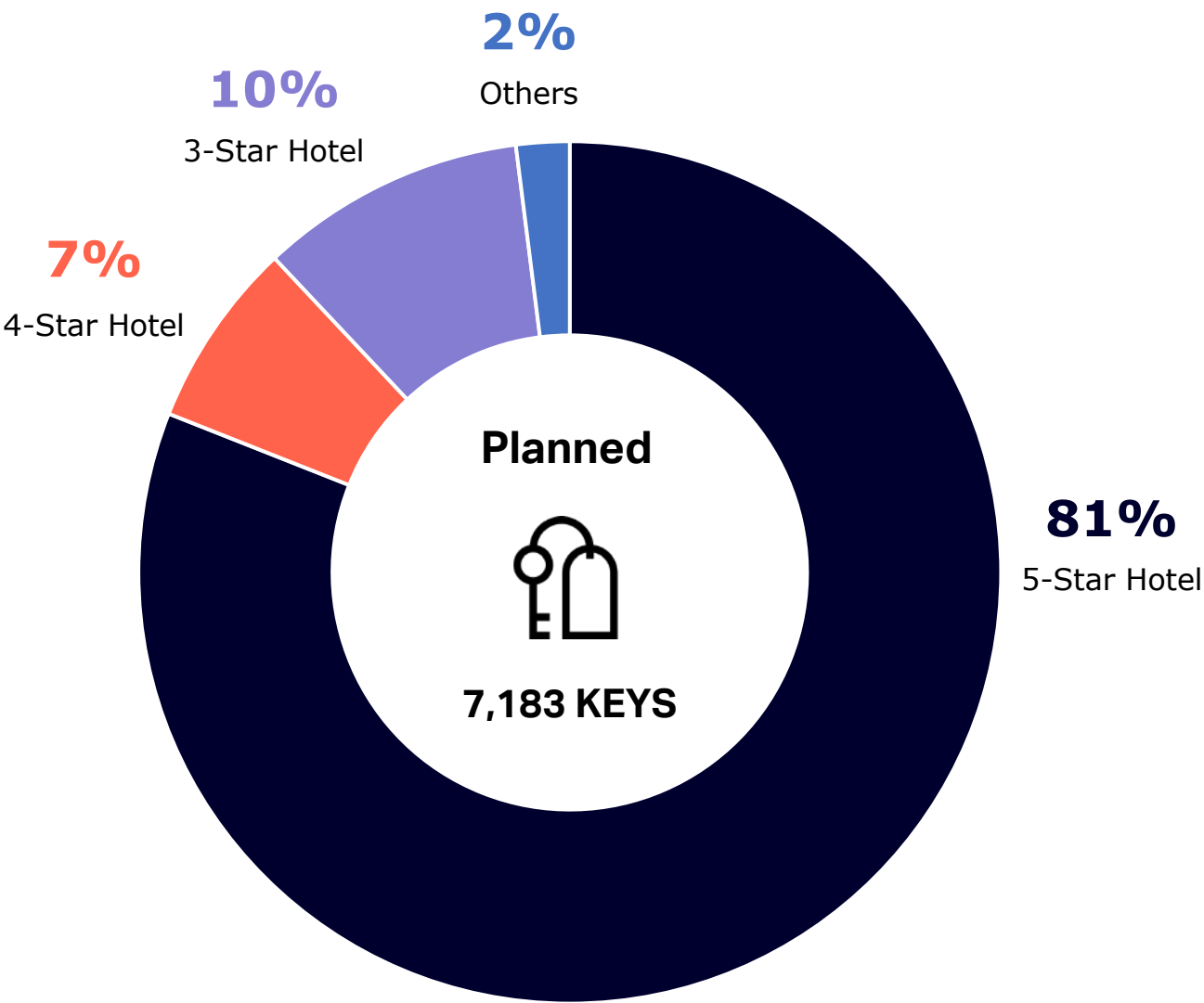
# Ras Al Khaimah - Hotel Supply & Pipeline

By 2027, the hospitality sector in Ras Al Khaimah is expected to comprise of 15,274 keys

Currently, Ras Al Khaimah has a total inventory of 8,091 hotel keys.



A total of 7,183 keys are scheduled to be developed by 2027.

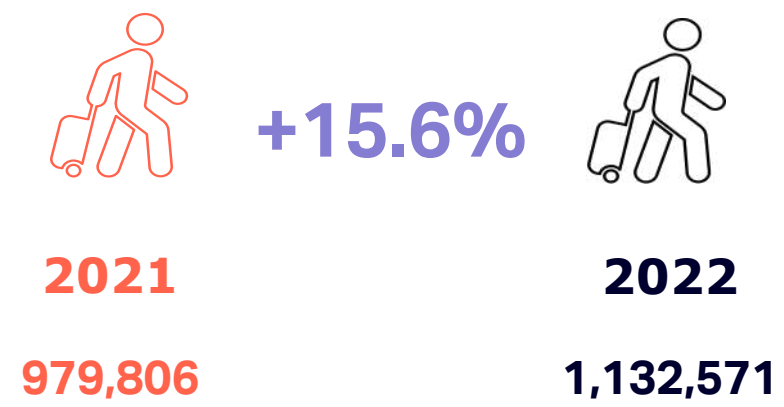


Source: RAKTDA

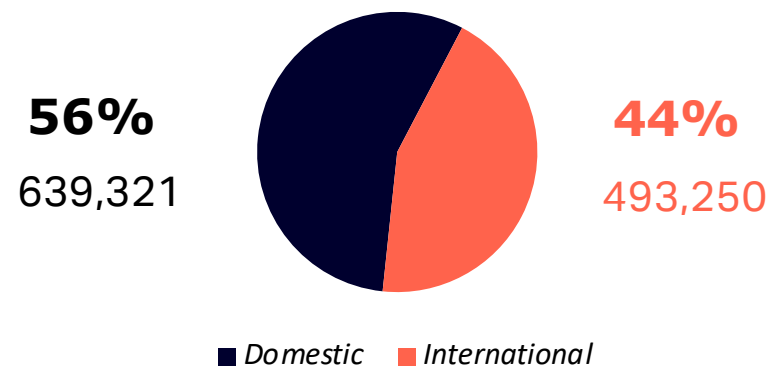
# Industry Performance FY 2021 vs. FY 2022

The below provides a comparison of key performance indicators between FY 2021 vs. FY 2022

## VISITOR ARRIVALS



## VISITOR ARRIVALS BREAKDOWN



## AVERAGE LENGTH OF STAY



## GUEST NIGHTS

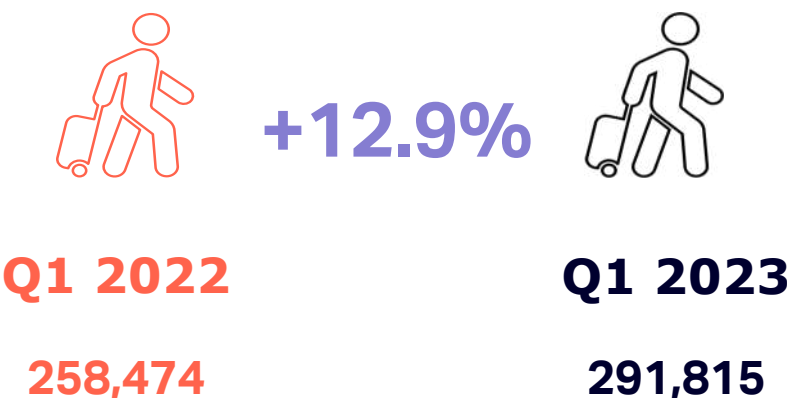


Source: RAKTDA

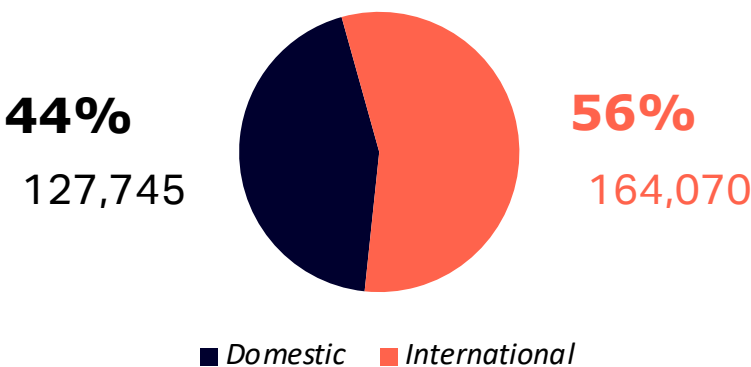
# Industry Performance Q1 2022 vs. Q1 2023

The below provides a comparison of key performance indicators between Q1 2022 vs. Q1 2023

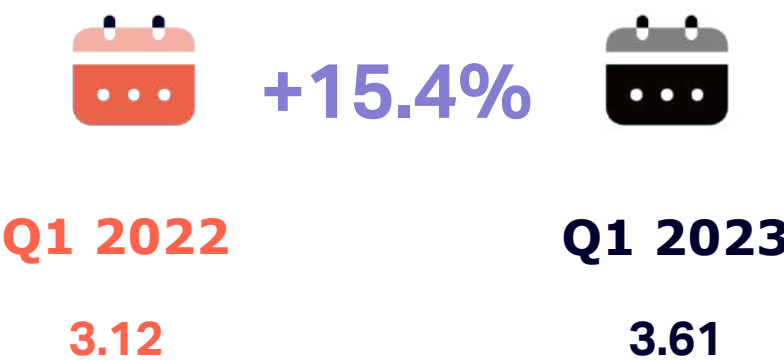
## VISITOR ARRIVALS



## VISITOR ARRIVALS BREAKDOWN



## AVERAGE LENGTH OF STAY



## GUEST NIGHTS



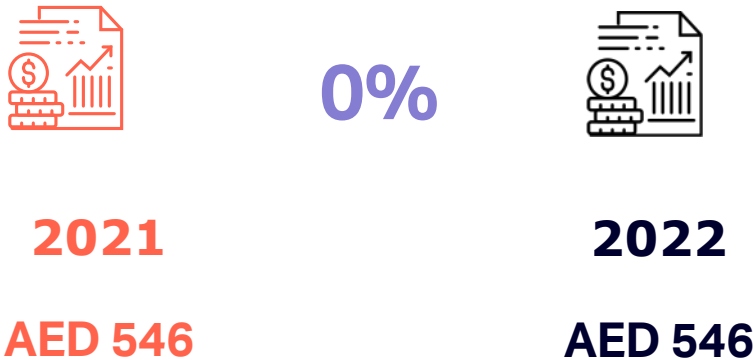
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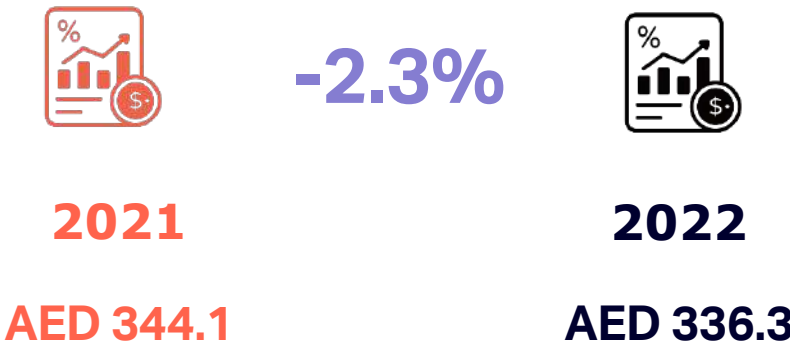
## TOTAL REVENUE



## AVERAGE DAILY RATE



## REVENUE PER AVAILABLE ROOM



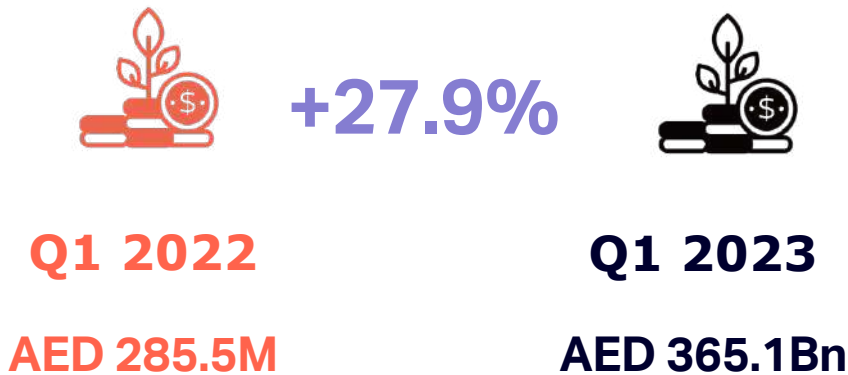
## OCCUPANCY RATES



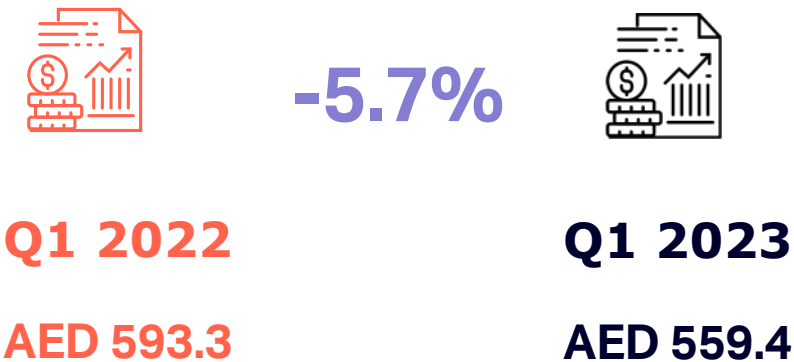
# Industry Performance Q1 2022 vs. Q1 2023

The below provides a comparison of key performance indicators between Q1 2022 vs. Q1 2023

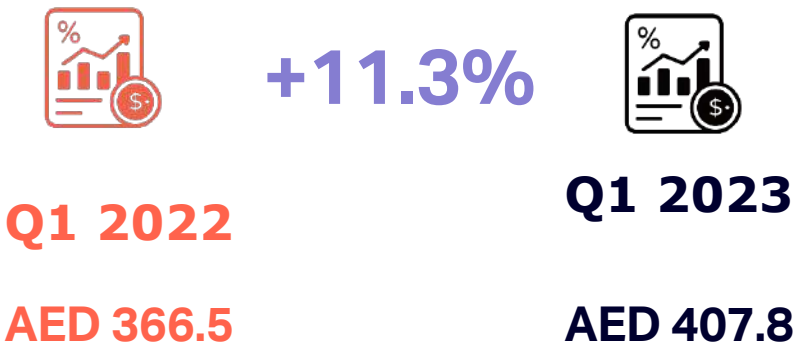
## TOTAL REVENUE



## AVERAGE DAILY RATE



## REVENUE PER AVAILABLE ROOM

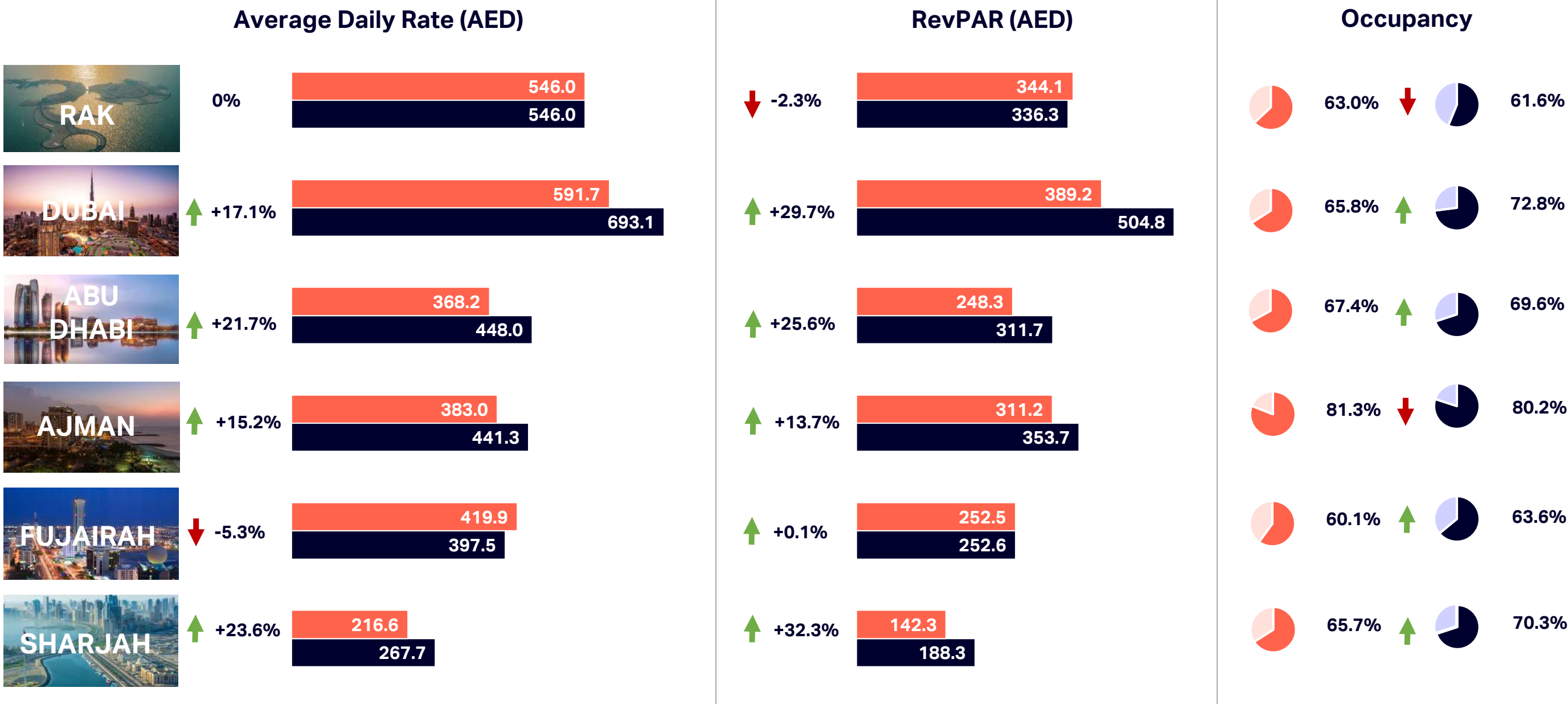


## OCCUPANCY RATES



# Industry Performance FY 2021 vs. FY 2022

The below provides a comparison of key performance indicators between FY 2021 vs. FY 2022

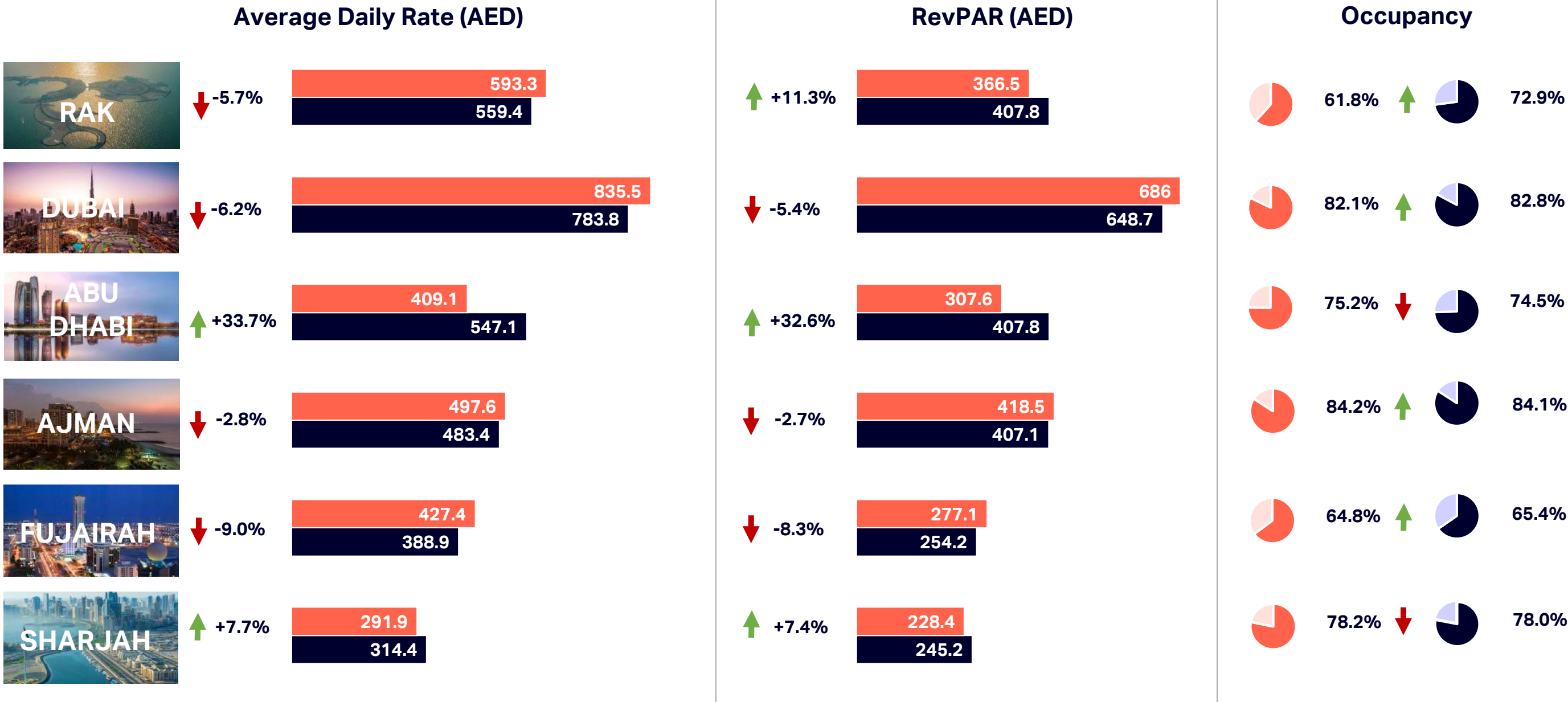


Source: RAKTDA

■ 2021 ■ 2022

# Industry Performance Q1 2022 vs. Q1 2023

The below provides a comparison of key performance indicators between Q1 2022 vs. Q1 2023



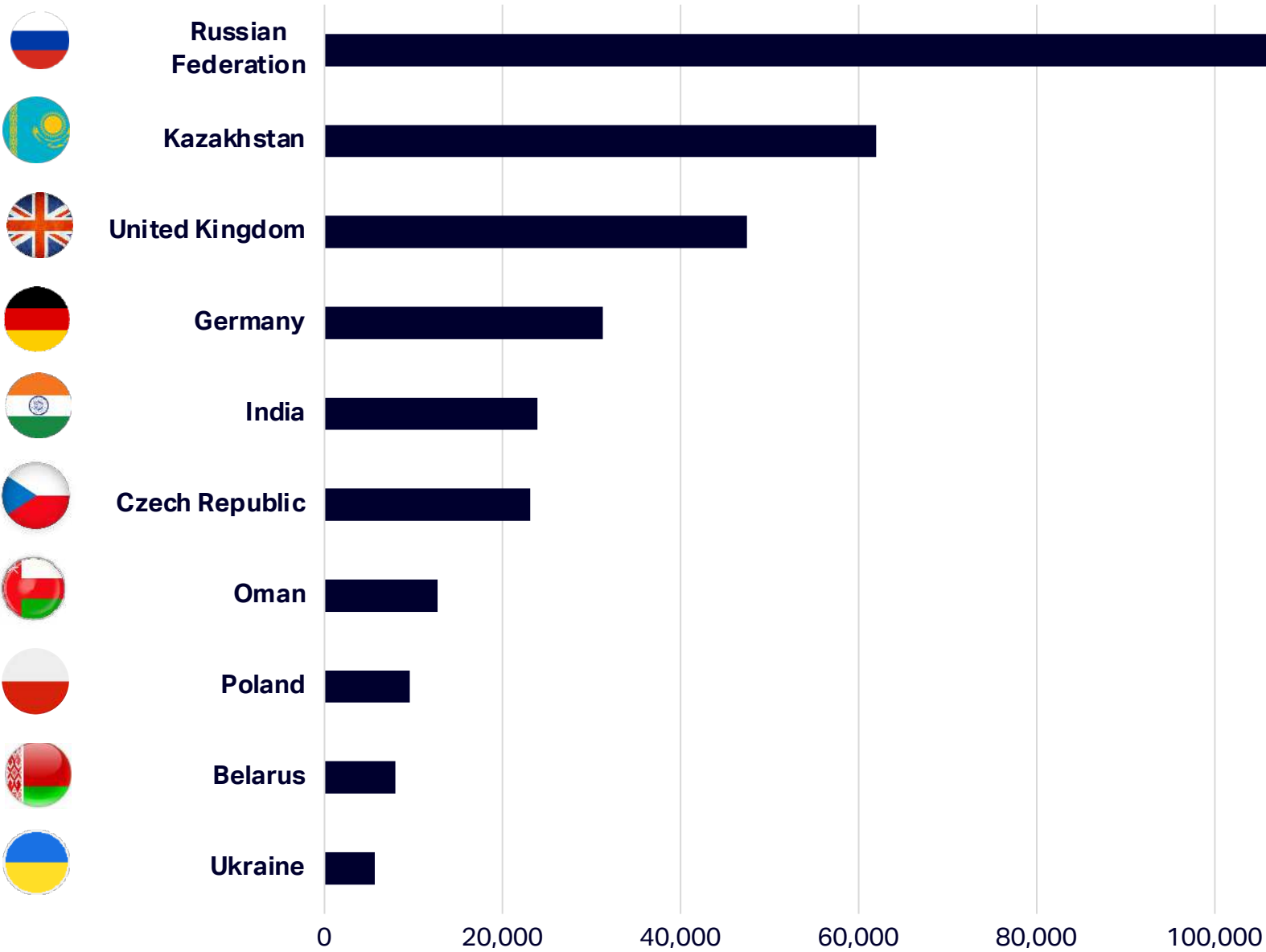
Source: RAKTDA

■ 2022 ■ 2023

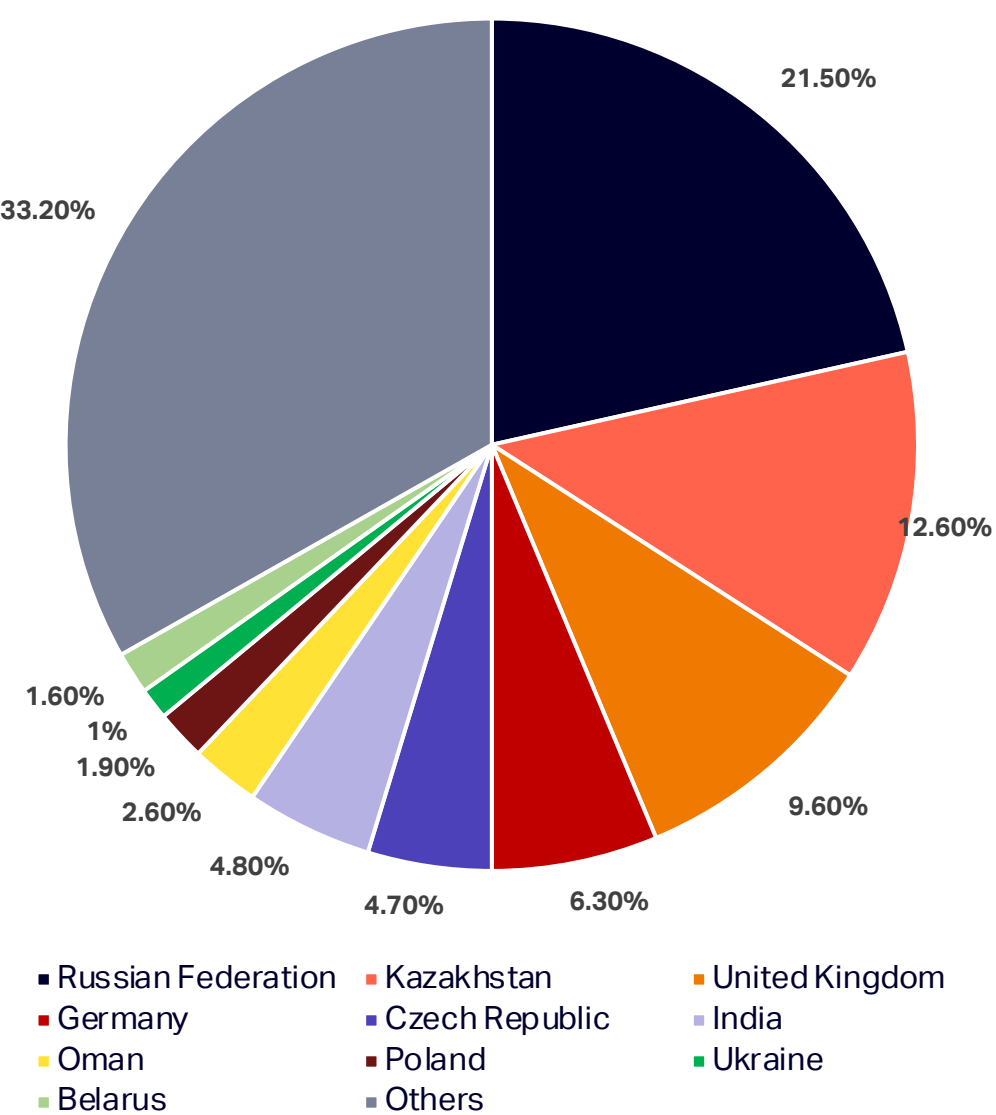
# Top Source Markets for FY 2022

The below presents the top source markets for FY 2022

Source Markets Breakdown



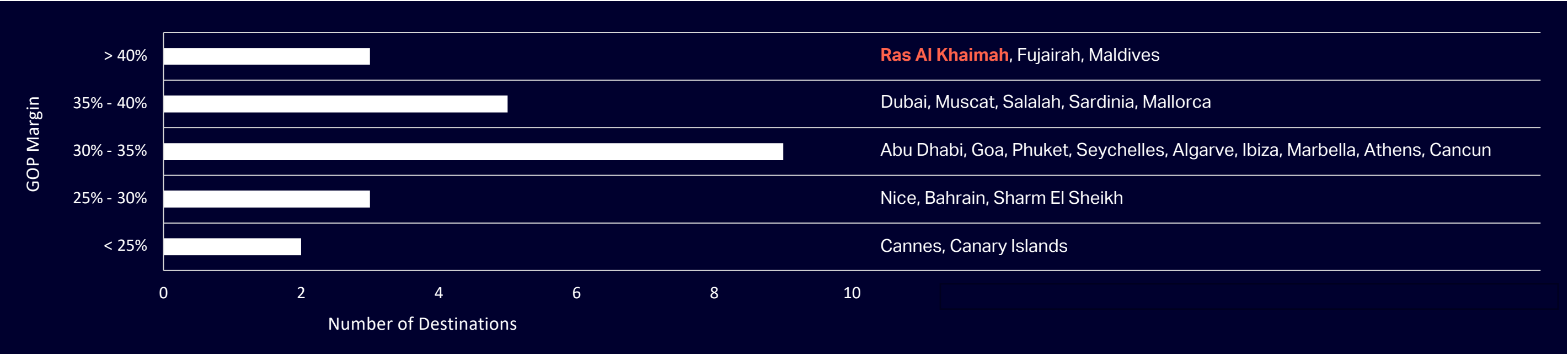
Market Share %



Source: RAKTDA

# Ras Al Khaimah – Profitability Levels – 5 Star Hotel Performance

Based on a basket of 22 Leading Global Destinations, Ras Al Khaimah is within the Top 3 Destinations in terms of 5-Star Hotel GOP Margins



## 5\* Hotel Performance

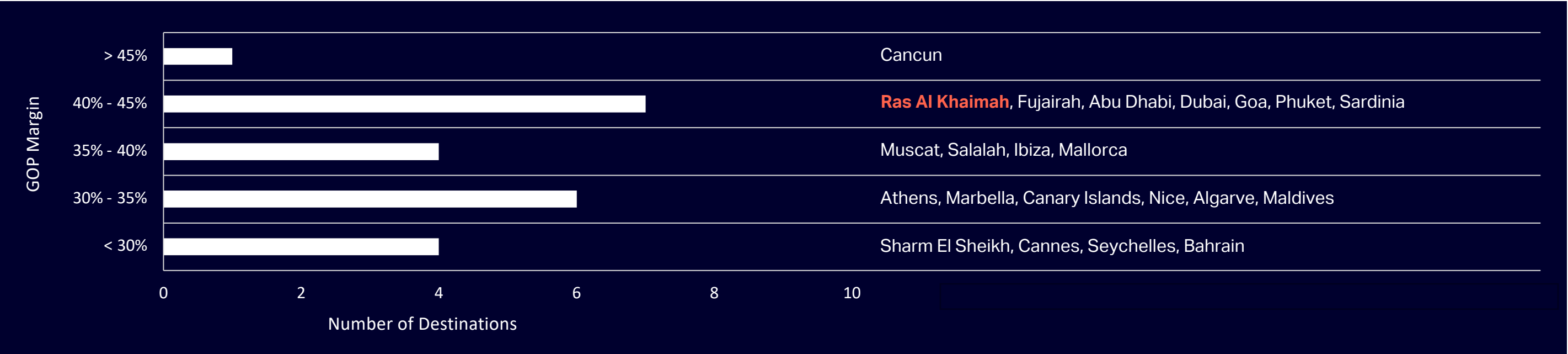
The affordable labour expenses in combination with the high RevPAR performance ensures the **highest operating margins are achieved in Ras Al Khaimah.**



Source: JLL

# Ras Al Khaimah – Profitability Levels – 4 Star Hotel Performance

Based on a basket of 22 Leading Global Destinations, Ras Al Khaimah is within the Top 3 Destinations in terms of 4-Star Hotel GOP Margins



## 4\* Hotel Performance

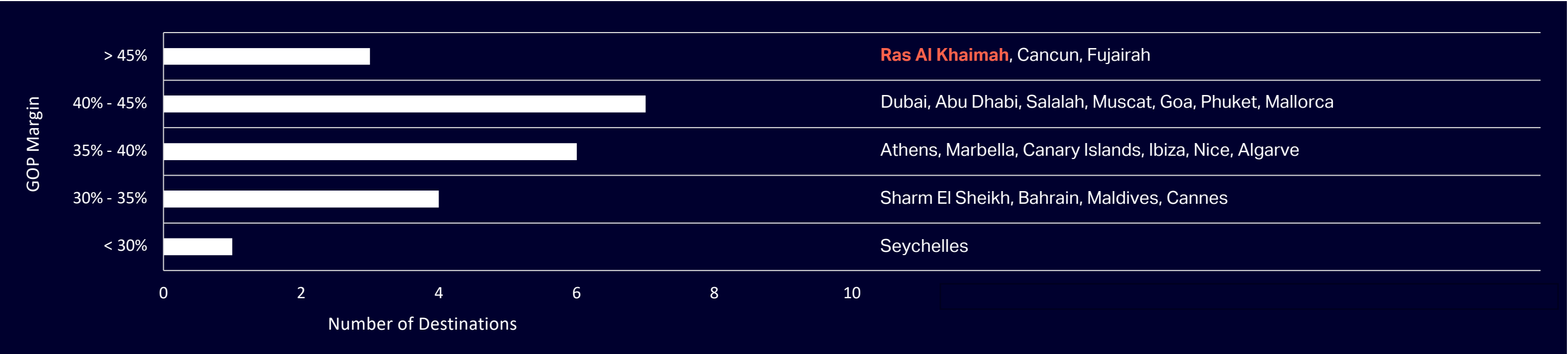
Ras Al Khaimah records **the second highest GOP margin** in the 4-star hotel segment.



Source: JLL

# Ras Al Khaimah – Profitability Levels – 3 Star Hotel Performance

Based on a basket of 22 Leading Global Destinations, Ras Al Khaimah is within the Top 3 Destinations in terms of 3-Star Hotel GOP Margins



## 3\* Hotel Performance

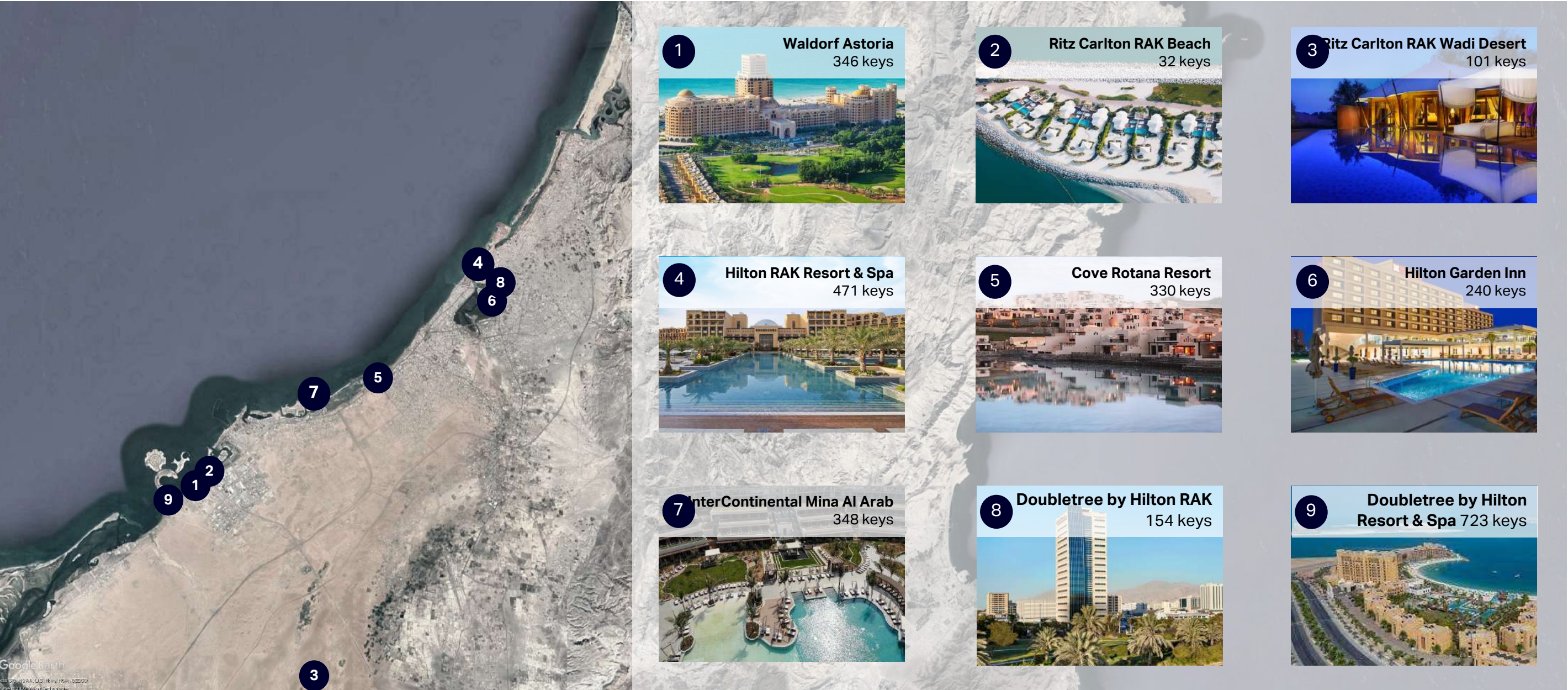
Ras Al Khaimah records **the highest GOP margin** in the 3-star hotel segment.



Source: JLL

# Prominent Existing Hospitality Developments

The below presents the location of key existing hospitality supply in Ras Al Khaimah



Source: Marjan, Google Earth

# Prominent Hospitality Developments in the Pipeline

The below presents the location of key existing hospitality supply in Ras Al Khaimah



Source: Marjan, Google Earth

# Marjan Corporate Overview

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**01**

**United Arab Emirates Overview**

**02**

**Ras Al Khaimah Overview**

**03**

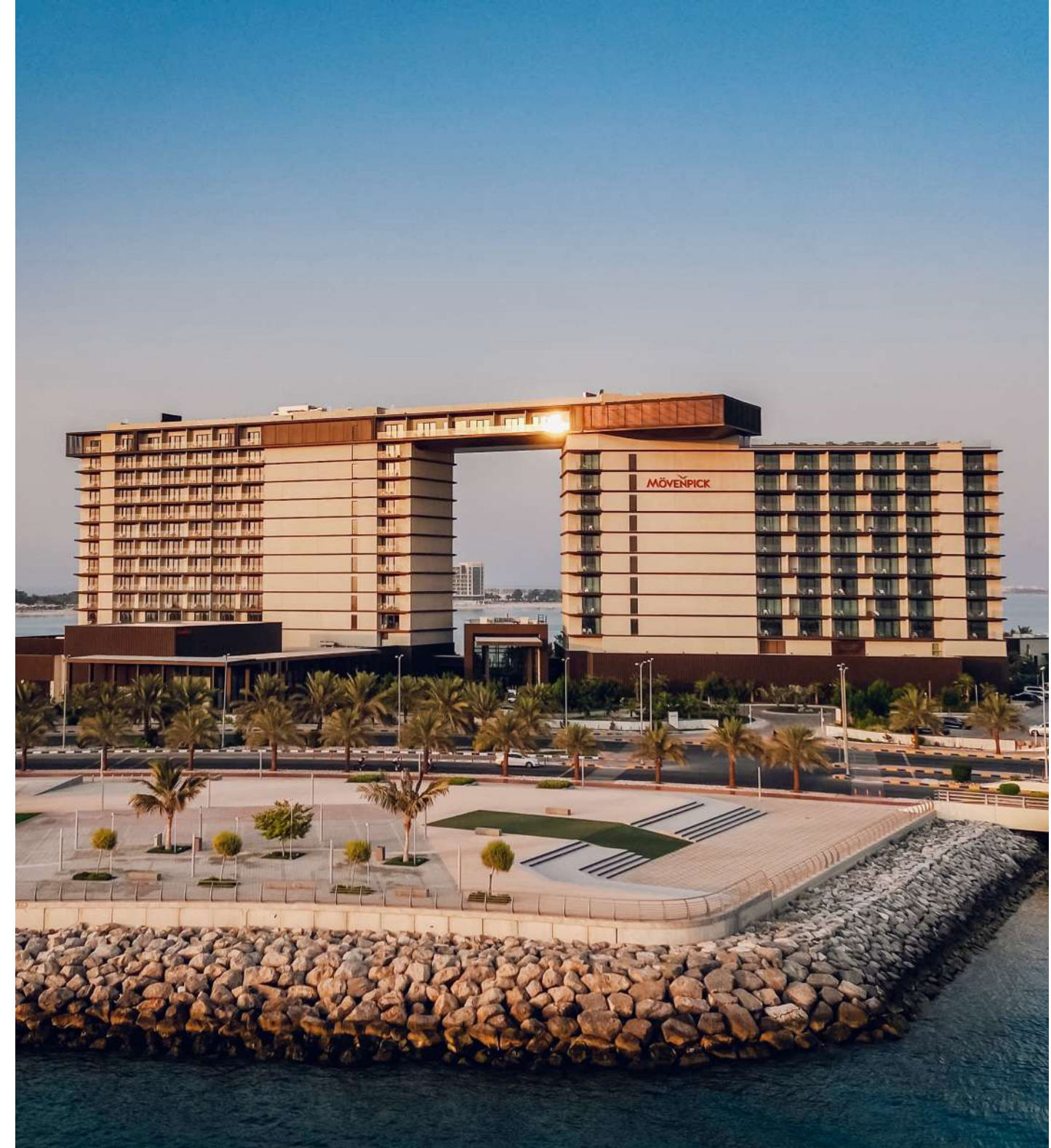
**Ras Al Khaimah Hospitality Sector Overview**

**04**

**Marjan Corporate Overview**

**05**

**Al Marjan Island**



# Corporate Overview

## Marjan is the leading master developer for freehold land in Ras Al Khaimah

Marjan is the leading master developer for freehold land in the Emirate of Ras Al Khaimah, offering ample development and investment opportunities with 100% foreign ownership and tax benefits. Marjan supports the growth of the Emirate by developing waterfront, urban and mountain master plans. Through the freehold development of hospitality, commercial, residential and mixed-use projects across the Emirate, Marjan positions the Emirate as the preferred destination for investors.

As the leading master developer of Ras Al Khaimah, our goal is to create diversified real estate investment opportunities, while providing a welcoming environment for investors. An example of this vision would be our flagship development, Al Marjan Island, a man-made island which has successfully transitioned into a world-class luxury resort destination.

### Key Services

#### Master Planning

- *Develop a phasing and implementation schedule and identify priorities for action within each freehold community developed in the Emirate of Ras Al Khaimah.*
- *Develop a framework for urban regeneration and attract private sector investments.*
- *Define public, private and semi-private spaces along with public amenities.*
- *Determine the mix of urban use and the physical relationship with the environment.*
- *Engage with the local community and act as a builder of consensus.*

#### Investor Support

- *Identify specific and attractive investment opportunities.*
- *Provide market intelligence and initial planning to investors.*
- *Support investors with project delivery from concept to completion.*
- *Develop business plans and feasibility studies*

#### Development & Project Management

- *Preparations of the design brief, budget and project programme.*
- *Preparation of scope of services.*
- *Appointment of the design team.*
- *Co-ordination of key stakeholders and engagement from local authorities to statutory bodies.*
- *Management of the construction and delivery phase.*
- *Co-ordination of the professional team during the development design to planning submission and consent.*
- *Monitor fee accounts and payments and management of construction costs.*
- *Management of duties regarding Health & Safety regulations*



# Al Marjan Island

---

- 01** United Arab Emirates Overview
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# Al Marjan Island Overview

*Al Marjan Island is our flagship development located roughly 35 km away from the Ras Al Khaimah International Airport*

## Key Facts



**2.7 SQKM**  
Reclaimed Land



**8,000**  
Planned Hotel  
Keys



**7.8 KM**  
Pristine Beaches



**12,000**  
Planned  
Residential Units



**23 KM**  
Waterfront



**600**  
Holiday Villas

- *Al Marjan Island is our flagship development. The island is a man-made development which extends 4.5 km into the Arabian Gulf.*
- *It has been meticulously master planned to deliver a mixed-use project that represents our commitment to making Ras Al Khaimah a global destination for investors, developers, travelers and residents.*
- *At Al Marjan Island we have created a world class, sustainable beach resort style community for all.*



Source: Marjan, Google Earth

# A "Wynn" Win for Ras Al Khaimah

*The Wynn project on Al Marjan Island will be a multi-billion USD Integrated Resort and was announced on January 26<sup>th</sup>, 2022.*

*A joint venture between Marjan, Wynn Resorts, and RAK Hospitality. the Integrated Resort will open in early 2027 and will consist of:*



c. 1,500  
Hotel Keys



c. 24  
Dining & Lounge  
Experiences



MICE Area



Spa



Entertainment Area  
(with Theatre)



Gaming Area

*The deal represents the largest FDI in the hospitality sector in Ras Al Khaimah.*

*Wynn Resorts is the highest-rated independent hotel company in the world operating in Nevada, Boston and Macau.*

*Definitive agreements were signed prior to the announcement and the master plan to be announced around September 2022.*



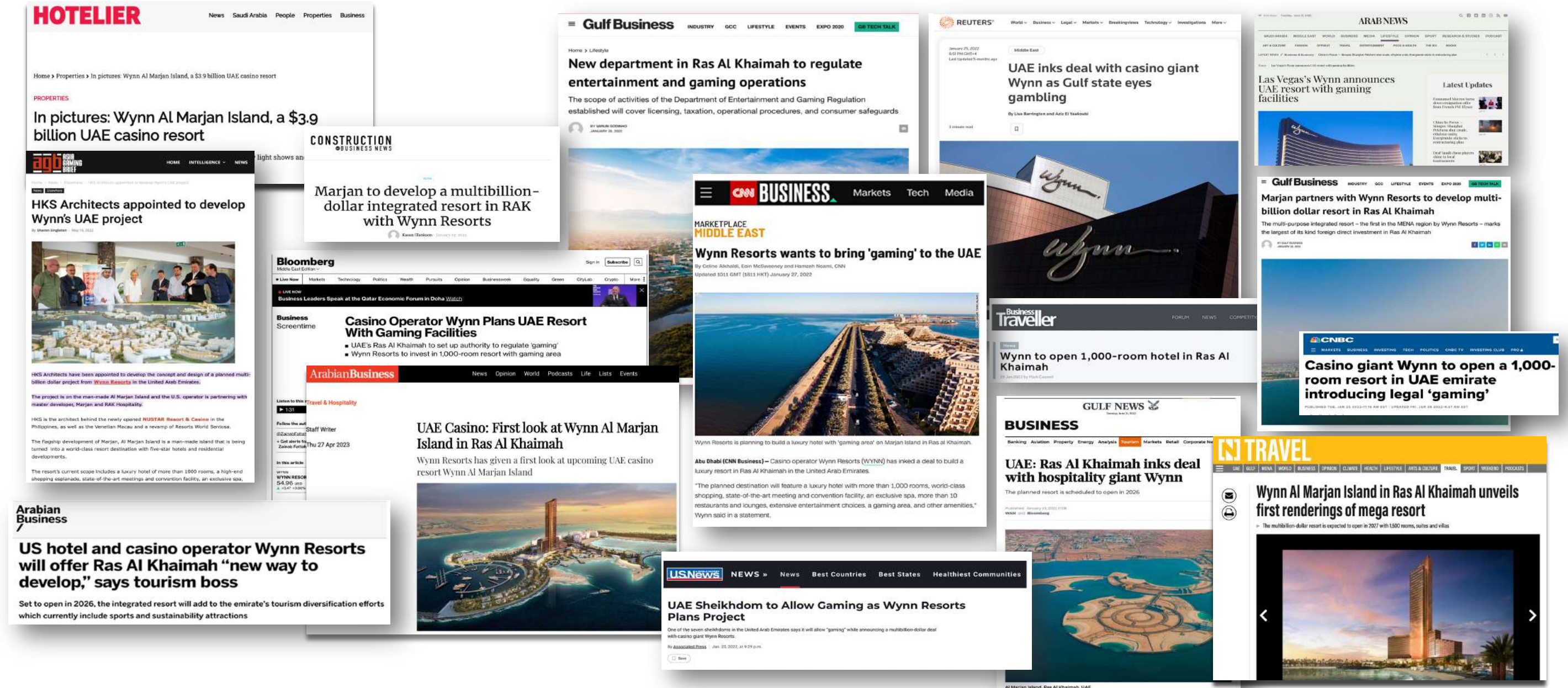
# A "Wynn" Win for Ras Al Khaimah



Source: Marjan

# A "Wynn" Win for Ras Al Khaimah

*In the media*



Source: Various Media

# Wynn Resorts – The Pioneer of Integrated Resorts



**2005 | Wynn Las Vegas**

**2008 | Encore Las Vegas**

- **12.6 Million Visitors**
- **Top Non-Gaming Revenue Generation IR in the World**



**2006 | Wynn Macau**

**2010 | Encore Macau**

- **#1 Net Revenue of any IR in Las Vegas**
- **13.1 Million Visitors**
- **Macau's First Real IR**
- **Most Forbes 5-Star Awards in Macau**



**2016 | Wynn Palace**

- **Only Quintuple 5-Star Resort in the World**
- **8.3 Million Visitors**
- **Unique Public Entertainment**
- **1,706 Hotel Keys**



**2019 | Encore Boston Harbor**

- **8 Million Visitors (Projected)**
- **Largest Single-Phase Development**
- **Best in Class Regulatory Environment**

# RAK 2023 & Beyond – Colliers Study

Based on an analysis that studied the impact of the opening of gaming facilities on visitation and considering the characteristics of Ras Al Khaimah’s tourism, it is envisioned that the Wynn Al Marjan Island will induce significant demand in its first year. This is expected to be followed by a prolonged secondary growth period lasting 3 years. As a result, it is estimated that the Emirate will welcome over **3.8 million visitors by 2027, growing at a CAGR of 28% from 2022. By 2030**, it is envisioned that the Emirate will be able to welcome **over 5.5 million visitors**, contingent upon the success of the Wynn Al Marjan Island.

The upcoming Wynn Al Marjan island is expected to induce significant demand, further enhancing the gap in the market due to the spillover of demand. Given the scale of the project, its unique concept, and existing global demand, Wynn Al Marjan Island is expected to significantly impact the Emirate's tourism segment. Ras Al Khaimah is anticipated to benefit from positive externalities of the “Wynn Effect”, with impacts such as increased visitation, additional hospitality demand, and an overall uplift to its economy.

Growth in Visitation after the Opening of an Integrated Resort

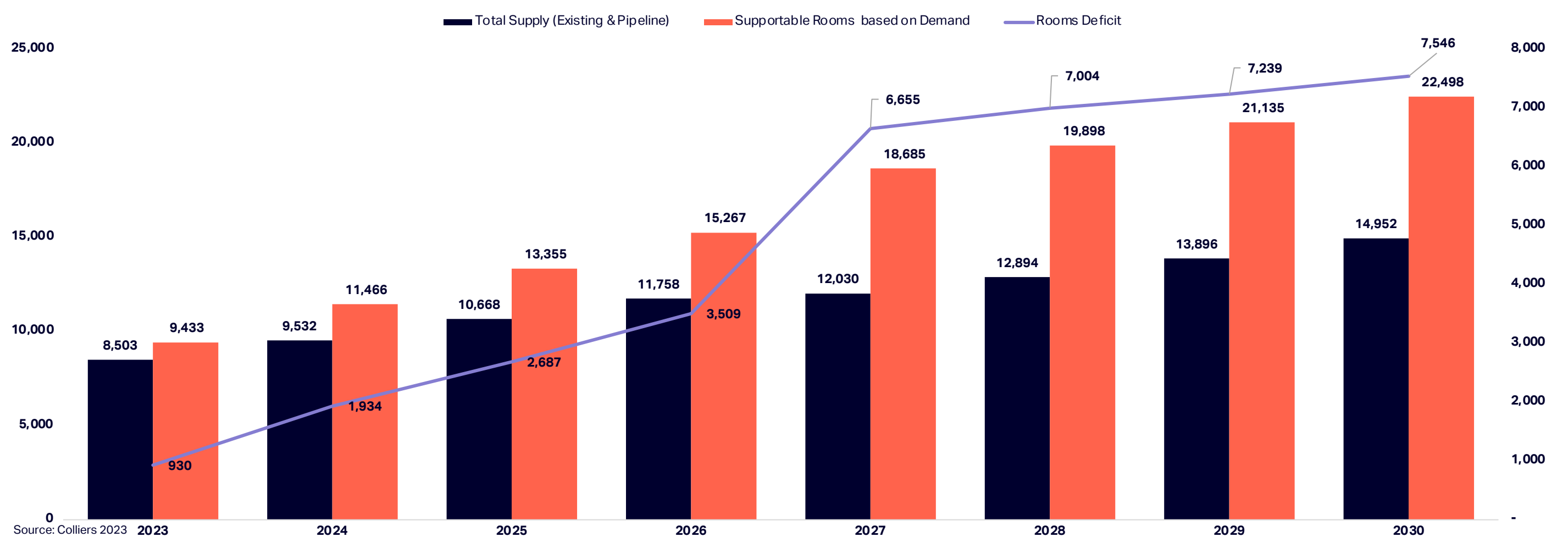
Destination	Opening	Year 1	Year 2	Year 3	Year 4	Year 5
Las Vegas, USA	%	10%	6%	-2%	0%	1%
Nassau, Bahamas	-5%	21%	18%	1%	-5%	2%
Macau, China	40%	12%	18%	23%	-15%	-5%
Marina Bay, Singapore	20%	13%	10%	7%	-3%	1%
Philadelphia, USA	6%	1%	-3%	4%	1%	2%
Ras Al Khaimah, UAE	65%	20%	10%	10%	8%	5%

Immediate Impact on Visitation Secondary Impact on Visitation

# RAK 2023 & Beyond – Colliers Study

Colliers run an analysis on existing and forthcoming hotel supply and overnight room night demand. The analysis indicated that Ras Al Khaimah will be able to accommodate **3,500 additional keys over and above** the existing and forthcoming supply **between 2023 – 2026**. Also, based on the gap analysis and taking into account the visitation forecast, the Wynn Al Marjan Island will create a gap in the market of close to **5,000 keys in 2027** in a base case scenario or over **6,500 keys in an optimistic scenario**. Due to the secondary impact on visitation, this gap is expected to grow further to **6,000 keys by 2030 in a base case scenario** which may reach up to **7,500 keys in an optimistic scenario**.

Additional Supportable Rooms 2023 - 2030



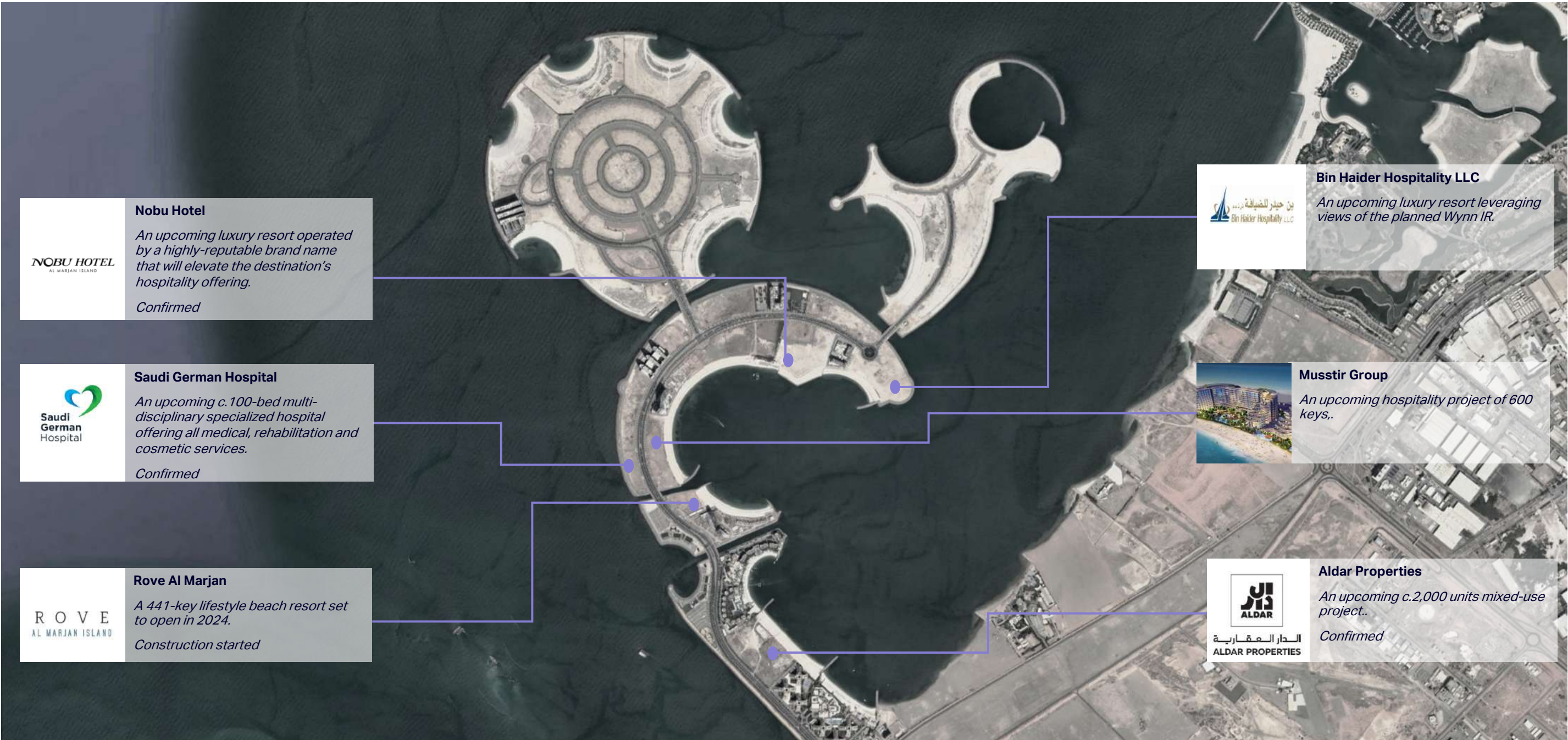
# Al Marjan Island – Existing Supply

The below presents the location and quantum of existing supply on the island



Source: Marjan, Google Earth

# Al Marjan Island – Upcoming Developments



Source: Marjan, Google Earth

# Al Marjan Island – Upcoming Developments



The map shows Al Marjan Island with several development sites marked by blue dots and connected to callout boxes. The developments include:

- Abu Dhabi National Hotels**: ADNH plans to invest nearly AED 1 billion to develop a c. 1,000-key resort. Confirmed.
- Address Al Marjan Island**: A lifestyle resort anticipated to comprise of c. 250 keys and c. 230 branded residences. Confirmed. Design under review.
- Al Mahra Resort**: A planned hospitality development featuring fully furnished hotel apartments. Confirmed.
- Earth Hotel**: A 4\* beachfront resort with c. 255 keys that it's set to open by 2026.
- Le Meridien**: A 5\* beachfront resort with c. 350 keys that will enhance the hospitality offering on Al Marjan island.
- Wynn Integrated Resort**: An upcoming integrated resort offering 1,000+ keys in addition to F&B, MICE and gaming facilities. The design is completed and construction will start in Q2 2023.
- Dubai Investments- Danah Bay**: An upcoming mixed-use beachfront resort and residential development expected to be worth over AED 1 billion. DI have confirmed that the hotel component will operate as Grand Millennium. Confirmed. Construction started. Off-Plan sales are very successful.
- Oceano**: A mixed-use residential complex that will provide 211 luxury branded residences. Confirmed.
- Residential & Commercial Complex**: A mixed-use residential complex comprising c. 190 apartments. Near completion.



Thank You