

# Dubai Investments PJSC

9M 2021

Investor Presentation



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# Dubai Investments Overview

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# A Diversified Investment Company Listed on DFM

## Dubai Investments Overview – Total Assets of c. AED 21.9 billion with c. 16,000 shareholders

### A Glance at Dubai Investments



**Property, manufacturing, contracting & services and investment businesses**

An incubator of more than **35** subsidiaries / associate companies with more than **3,800** employees

- 1 Undertakes real estate development projects / leasing of real estate portfolio
- 2 Manufactures and sells materials used in construction projects, provides district cooling services
- 3 Produces and distributes pharmaceuticals, aluminum extruded products
- 4 Provides Investment Banking and Asset Management services, invests in new ventures and initial public offers, bonds, funds and shares



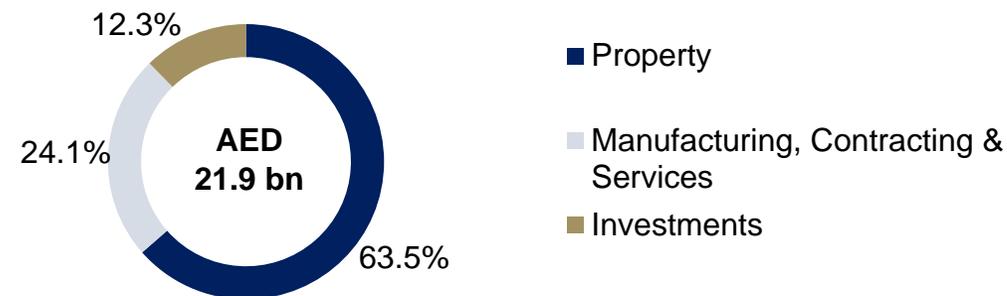
Note: Figures are rounded to the nearest decimal

### Shareholders (September 2021) – to be updated from DFM

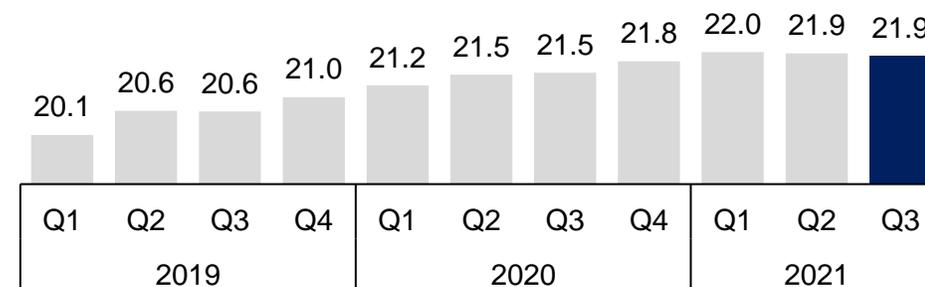


Source: Dubai Financial Market

### Business Segments by Assets (September 2021)



### Total Assets (in AED bn)



# Board of Directors - A Well Seasoned and Experienced Team



## Chairman – Abdulrahman Ghanem A. Al Mutaiwee

Mr. Abdulrahman Ghanem A. Al Mutaiwee is a high-ranking diplomat and has held senior management positions in various ministries and government establishments. He has also served as the UAE Ambassador to the Court of St. James and Iceland. He is currently the Director in the Ministry of Foreign Affairs and International Cooperation. He holds a Bachelor's Degree in Economics from Cairo University and Diploma in Banking and Financial Studies from New York.



## Vice Chairman & CEO – Khalid Jassim Bin Kalban

Mr. Khalid Bin Kalban has extensive experience in Manufacturing & Industrial sectors as well as Financial, Investment and Real Estate sectors. He holds a degree in Business Management from USA and is a Management Major from Metropolitan State College, USA. He is also currently the Chairman Al Mal Capital PSC, Board Member of National General Insurance PJSC, Board Member of the Islamic Bank of Asia (Limited), Board Member of Arcapita Investment Management B.S.C.



## Director – Ali Fardan Ali Al Fardan

Mr. Ali Fardan Ali Al Fardan has significant experience in Real Estate Management, Property Investments, Capital Investment Management and Hospitality Management. He holds a Bachelor of Science in Management and Information System. He is also currently the Vice Chairman of Al Fardan Group, Managing Director of Al Fardan Real Estate, CEO of First Investor LLC, Board Member of Al Mal Capital PSC, National General Insurance PJSC and Board Member of Commercial Bank of Dubai PJSC.



## Director – Mohamed Saif Darwish Ahmed Al Ketbi

Mr. Mohamed Al Ketbi has experience in Investments & Projects, Real Estate and Hospitality Sectors. He holds a Bachelor Degree in Business Administration majoring in Business Management. He is currently the Board Member of AHI Carrier FZC, Vice Chairman of Danat El Emarat Hospital Project, Board Member of National General Insurance PJSC and Board Member of Al Mal Capital PSC.



## Director – Khaled Mohammad Al Kamda

Khaled Al Kamda has over three decades of senior management experience across a number of sectors including airlines, private equity and banking and has also held senior management positions in government establishments. He holds a Bachelor's Degree in Electrical Engineering from Florida Institute of Technology, USA and a MBA Degree from Cranfield School of Management, England.



## Director – Hussain Nasser Ahmed Lootah

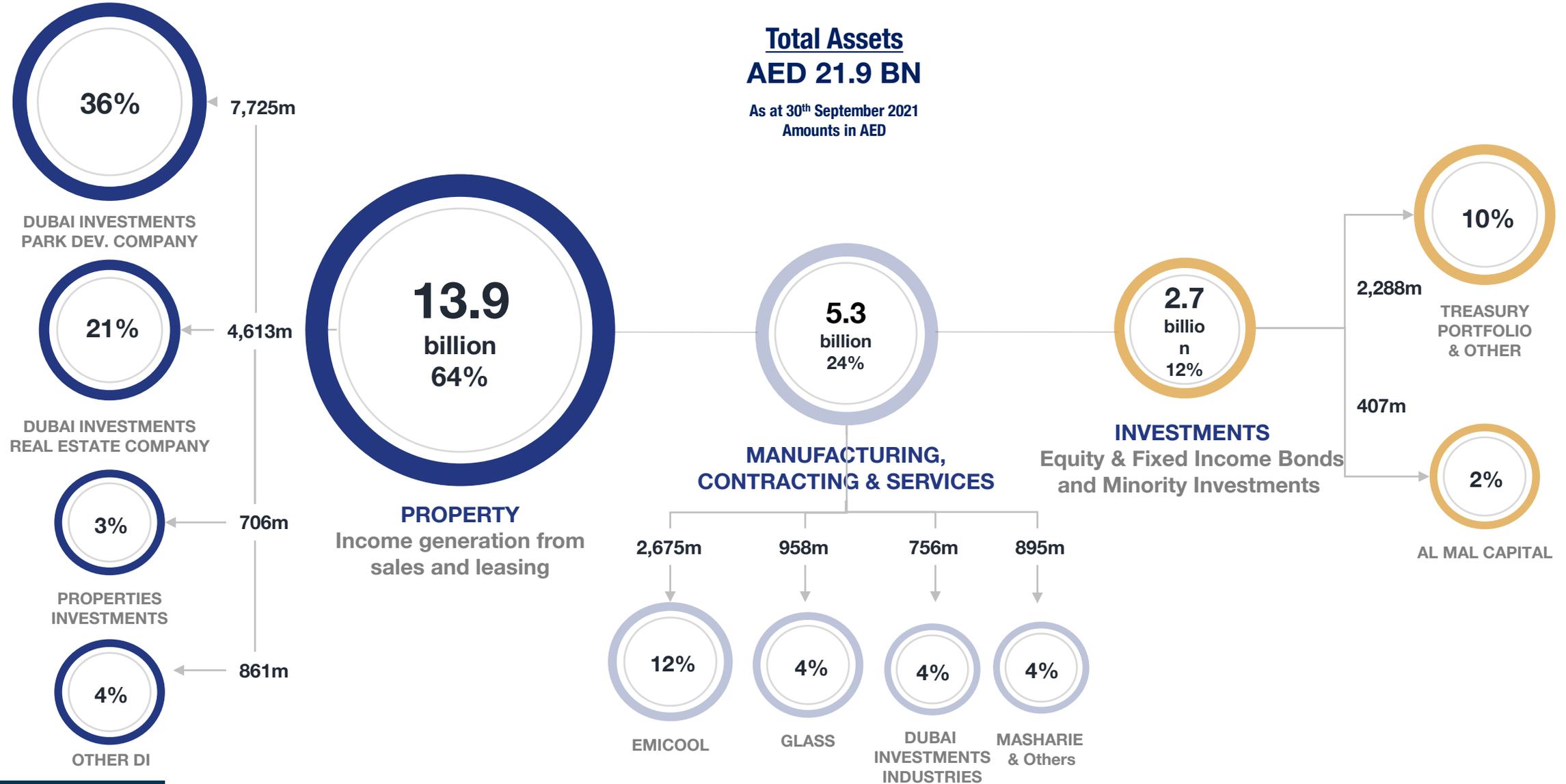
Hussain Nasser Lootah is a prominent business figure in the UAE, holding, throughout his career, chairmanship and membership of several government committees. Among several key positions held by him, included his association with Dubai Municipality for over 30 years, culminating in his 12 years tenure as the Director General of Dubai Municipality till the year 2018. He also played a prominent role in establishing the Society of Engineers where he chaired its board for 4 years. Currently he is the Chairman of Hussain Lootah Group (HLG). He holds a degree in Civil Engineering from the University of Arizona.



## Director – Abdulrahman Mohamed Rashed Al Shared

Abdulrahman Mohamed Rashed Al Shared is a well-known businessman and a former government official in Dubai Municipality. He has held senior level positions across several sectors. He was previously employed as a Secretary General by Awqaf & Minors Affairs Foundation. In addition to being the founder of Mai Real Estates, he is a Board member across various entities. He holds a Master's Degree in Environmental Sciences.

# Diversified Portfolio of Assets Across Real Estate, Manufacturing and Services

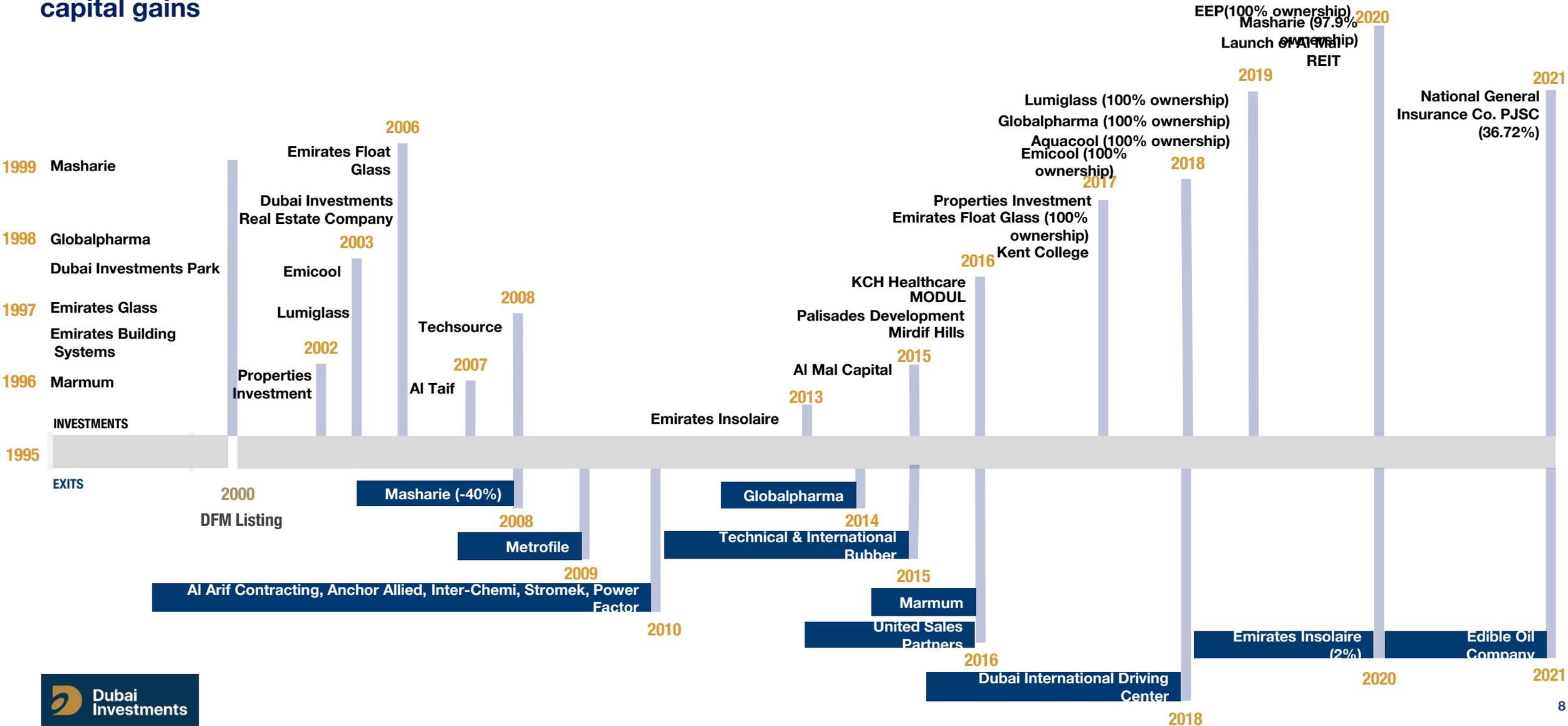


# Dubai Investments – A Diversified Portfolio of Investments



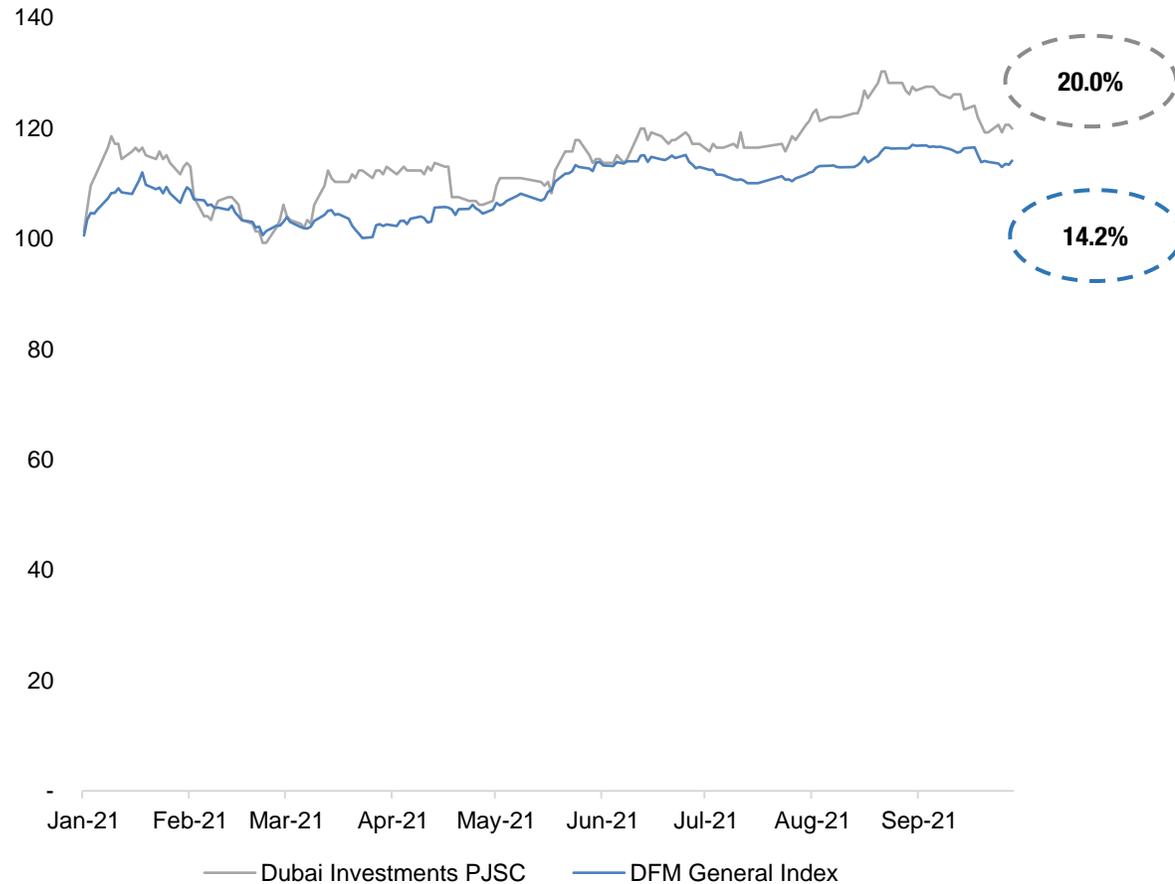
# 25 Years of Building Businesses and Creating Shareholder Value

Long-term investment approach in building underlying value of investees – provide the necessary strategic direction along with growth capital; exit businesses which have matured - enhance shareholder value through the capital gains



# Consistent Dividend Paying Company

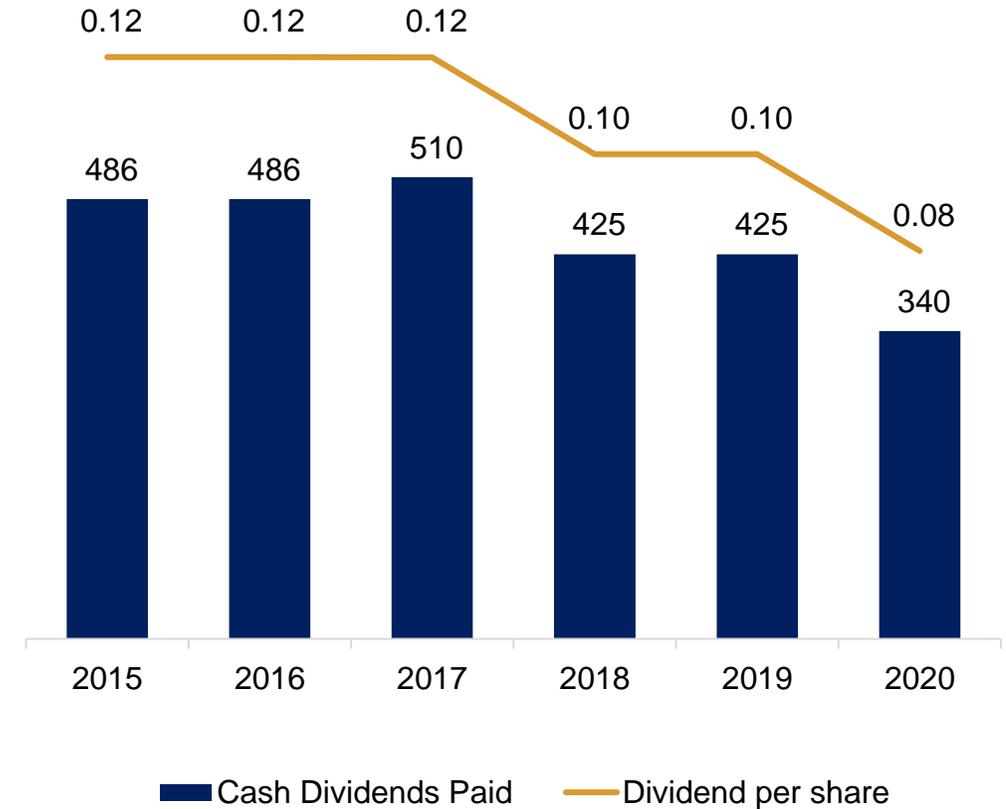
## Shareholder Returns – DIC vs. DFMGI Index



The above chart presents normalized price movements of Dubai Investments PJSC in comparison to DFM General Index with a base of 100, for the period Jan 2021 to September 2021.

Note: Figures are rounded to the nearest decimal

## Annual Dividends Paid (AED million) & Annual Dividend Per Share (AED)



The above chart presents cash dividend paid out historically for a particular period

## Management Summary – 9M 2021 Financial Highlights

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# Key Messages: 9M 2021

## Group Result

- Robust growth in Total Income by 34.8%, reaching AED 2,568.0 million in 9M 2021 vis-à-vis AED 1,905.5 million in 9M 2020. The increase is mainly due to increase in sale of properties and sales of goods and services as compared to the same period in the prior year
- Given the turn-around in financial markets globally in 2021, the Group reported a fair value gain of AED 58.3 million on its investments in 9M 2021, as compared to a loss of AED 24.3 million during the same period in the prior year. The Group also recorded a gain of AED 31.0 million on sale of its investments in 9M 2021 – driven by the sale of its subsidiary (resulting in a net gain of AED 9.4 million), as compared to a gain of AED 16.2 million recorded during the same period in the prior year
- Earnings per share stood at AED 0.11/share in 9M 2021
- Total Assets reached AED 21,883.0 million as at 30<sup>th</sup> September 2021. Increase in Total Assets is mainly attributable to increase in investments in equity accounted investees, due to the Group's acquisition of additional 36.7% stake in NGI. Additionally, the Group also reported increase in Trade and Other Receivables, which was mainly due to increase in sale of properties during 9M 2021, and increase in Investment Properties, together resulting in higher Total Assets as at 30<sup>th</sup> September 2021
- The Group remains well capitalized with Total Equity (attributable to shareholders) at AED 11,908.4 million with low leverage with Net Debt/Total Attributable Equity of 40.4%

## Portfolio

- Strong growth in sale of properties underpinned by improved sentiment and demand within the real estate sector from both local and international investors. Rental income continues to remain a strong contributor to Total Income, representing 24% of the Total Income in 9M 2021
- Key events (financial and non-financial) in 9M 2021:
  - Acquisition of shares in National General Insurance Company – “NGI”; total of 36.72%, bought in April (21.53%) and subsequently in July 2021 (15.19%)
  - Emicool completed phase 1 of AI-enabled cooling plant delivering a total of 60,000 TR to Dubai EXPO 2020. Additionally, Emicool has collaborated with Siemens to jointly develop and promote energy saving measures to enhance sustainability in district cooling business
  - Development of AI Taif Business Center project has continued in 9M 2021 and the project is nearly 95% complete and expected to be handed over in Q1 2022
  - Emirates Building Systems (EBS), a wholly owned subsidiary of Dubai Investments, completed 4 EXPO 2020 pavilions
  - AI Mal REIT was listed on the Dubai Financial Market (DFM) in Q1 2021
  - AI Multaqa Avenue, one of the clusters in Mirdif Hills, is 100% complete and commenced hand over in Q3 2021. The commercial spaces will include the first four-star hotel, first freehold office spaces and open retail spaces

# 9M 2021 – Financial Highlights: Well Capitalized and Profitable Company

TOTAL INCOME

2,568.0

AED million

EBITDA

670.8

AED million

PROFIT ATT. TO  
SHAREHOLDERS

455.6

AED million

EPS

0.11

AED per share

ROE\*

5.1%

TOTAL ASSETS

21.9

AED billion

CASH & CASH  
EQUIVALENTS\*\*

c.2.2

AED billion

NET DEBT\*\*\*

4.8

AED billion

EQUITY ATT. TO  
SHAREHOLDERS

11.9

AED billion

NET DEBT / TOTAL  
ATT. EQUITY

40.4%

**Note: Figures are rounded to the nearest decimal**

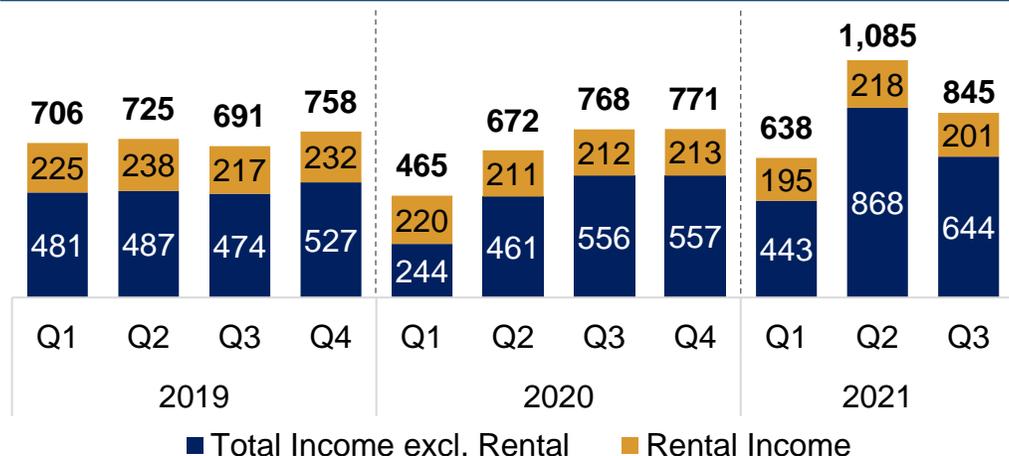
**\*Based on Annualized Net Profit and Equity Attributable to Owners of the Company**

**\*\*Includes Cash, Short-term Deposit with Banks and Liquid Investments (Level 1 and Level 2)**

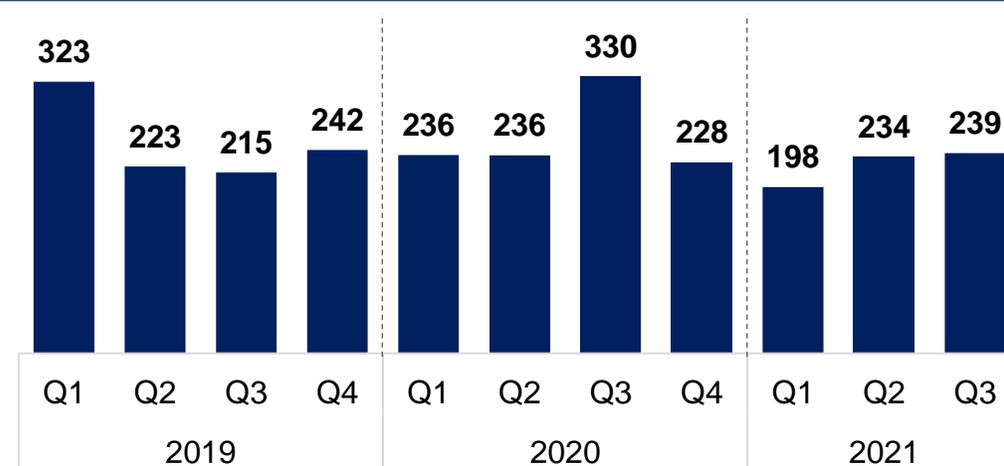
**\*\*\* Gross debt less cash and cash equivalents**

# Evolution by Quarter: Rental Income Portfolio remains key contributor to Total Income

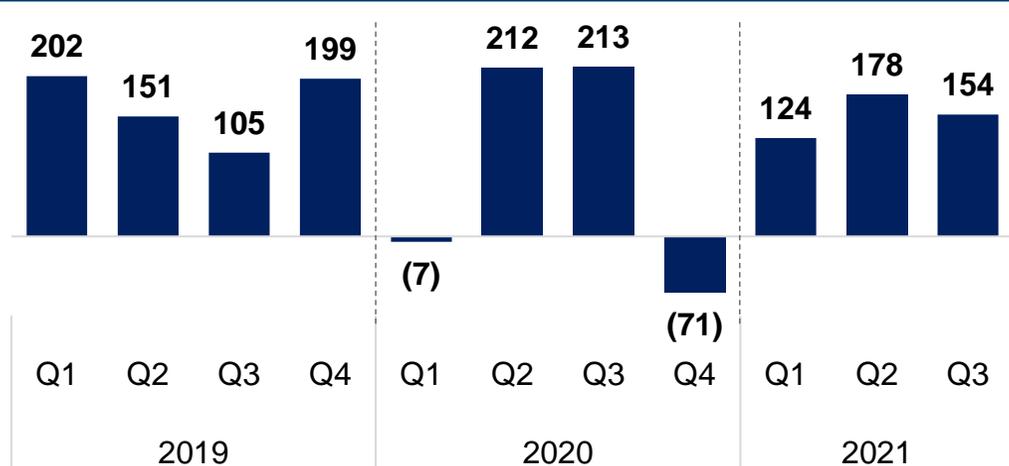
## Total Income and Rental Income (AED Million)



## EBITDA (AED Million)



## Attributable Profit (AED Million)

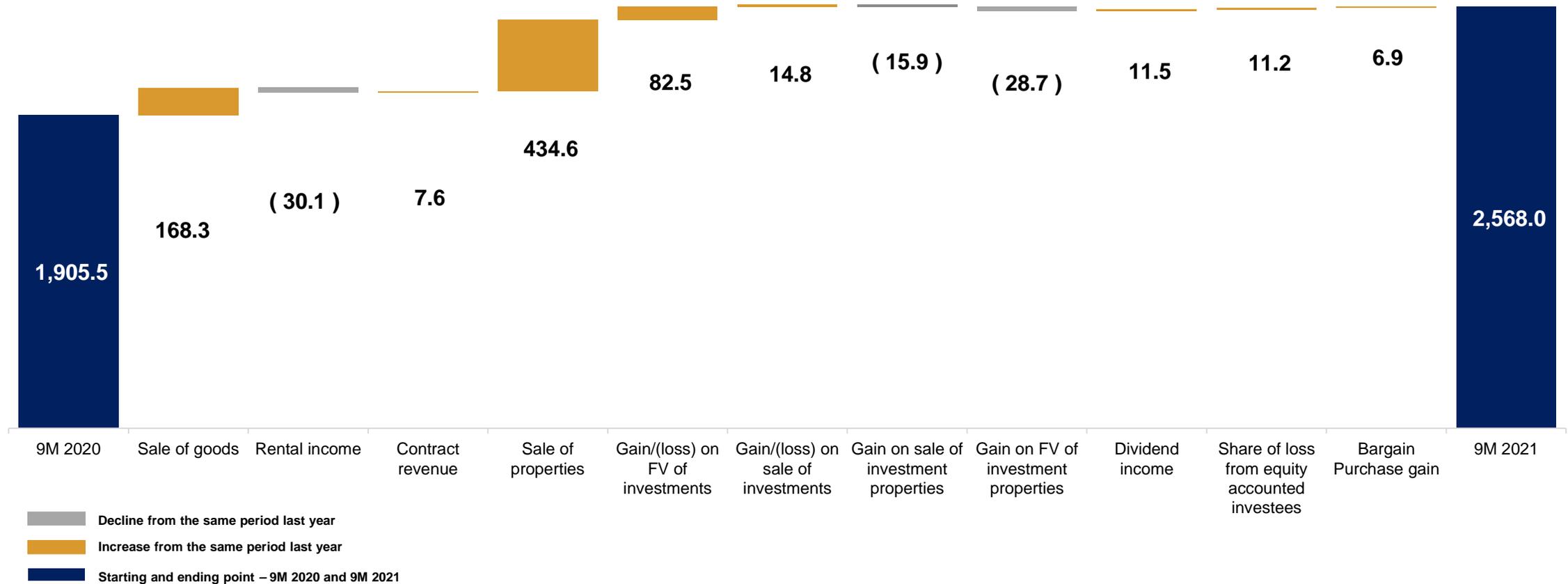


## Key Highlights

- In Q3 2021, the Group recorded Total Income of AED 845.0 million as compared to AED 768.3 million in Q3 2020. This increase was largely on account of increase in sale of properties across various real estate projects and sale of goods and services, as a result of rebound in economic activities
- The Group recorded a rental income of AED 200.9 million in Q3 2021. Rental income continues to remain a strong contributor to Total income, representing c. 24% of Total income in Q3 2021
- The Group generated strong profits attributable to owners at AED 153.5 million for Q3 2021. This was lower as compared to AED 213.1 million generated in Q3 2020. In Q3 2020, the Group reported higher gain on fair value of investments and higher gain on sale of investments resulting in higher profits attributable to owners in comparison to Q3 2021

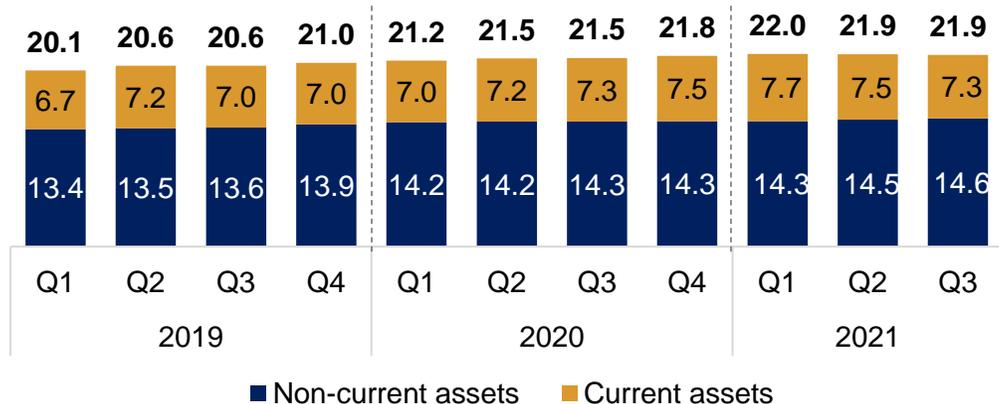
# Total Income Movement Year-on-Year

## Total Income Bridge (AED Million)

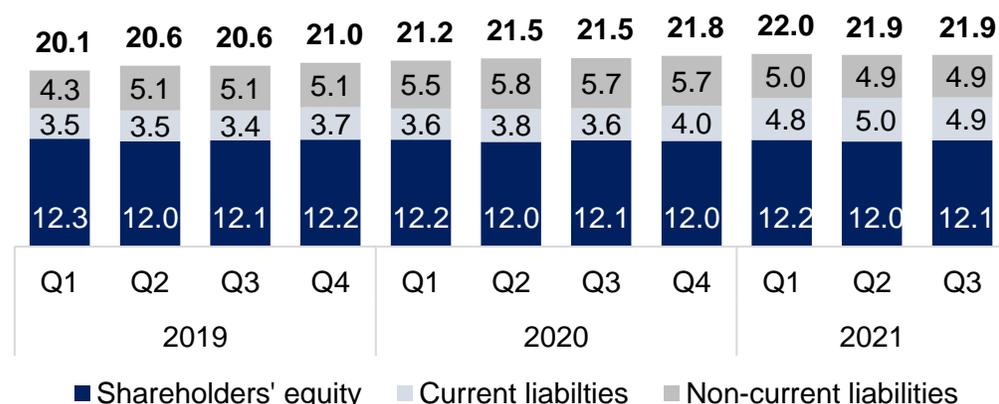


# Growth in Assets & Liabilities due to Acquisitions & Growth in Real Estate Portfolio

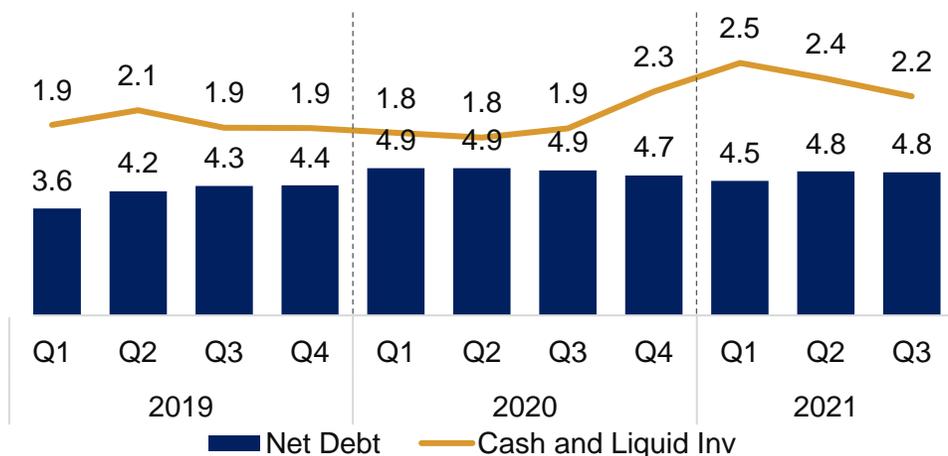
## Total Assets (AED Billion)



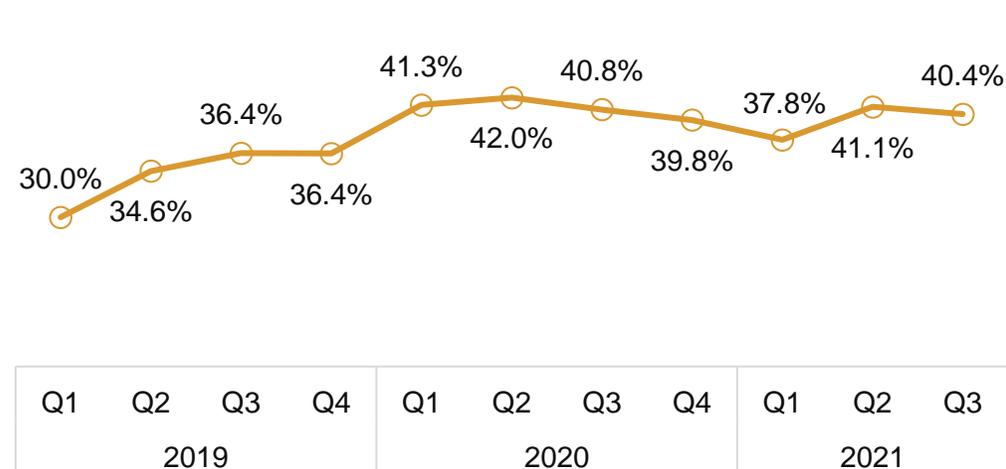
## Total Liabilities & Total Equity (AED Billion)



## Net Debt and Total Cash & Liquid Inv. (AED Billion)



## Net Debt / Total Attributable Equity (%)



## Operational Performance by Business Segment – 9M 2021

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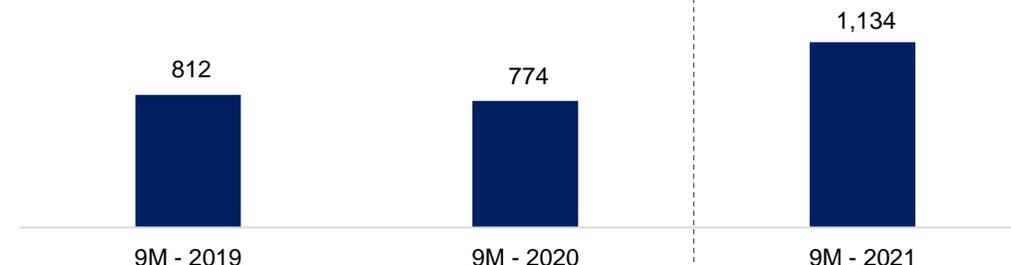
# Property Segment – Development of Real Estate for Sale and Leasing

## Property

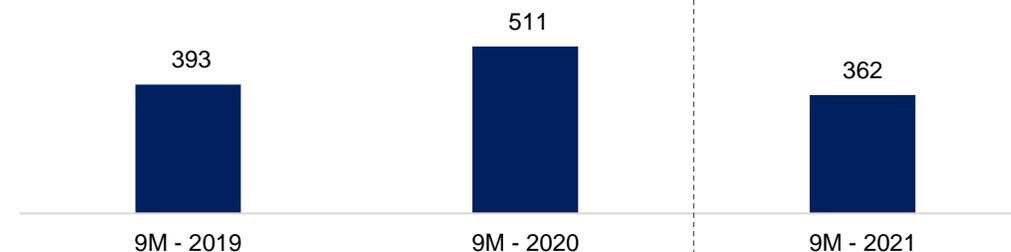
- The Group recorded AED 1,134.0 million in Total Income from the Property segment in 9M 2021, substantially higher than AED 774.0 million recorded within the same period in the prior year. The increase of AED 360.0 million was largely on account of sale of properties within its real-estate portfolio, which was AED 472.0 million in 9M 2021 as compared to AED 37.4 million during the same period in the prior year
- The profit attributable to owners in this segment was healthy at AED 361.8 million in 9M 2021. This was lower compared to AED 510.5 million recorded in 9M 2020 as the Group reported lower finance and other income, lower gain on fair valuation of investment properties and higher net impairment losses on financial assets in 9M 2021 as compared to the same period in the prior year
- Infrastructure and ancillary facilities account for majority (60.7%) of the Group's Investment Properties portfolio (AED 8,592.5 million) in 9M 2021. Such Infrastructure facilities, located in DIP, are leased on long-term basis and have been over 98% occupied over past several years - generating a sustainable rental income
- Given the asset intensive nature of this business segment, majority of the bank borrowings are attributable to this business segment

## Financial highlights (9M 2021)

### Total Income (AED m)



### Attributable Profit to Shareholders (AED m)



### Total Assets and Liabilities (AED m)



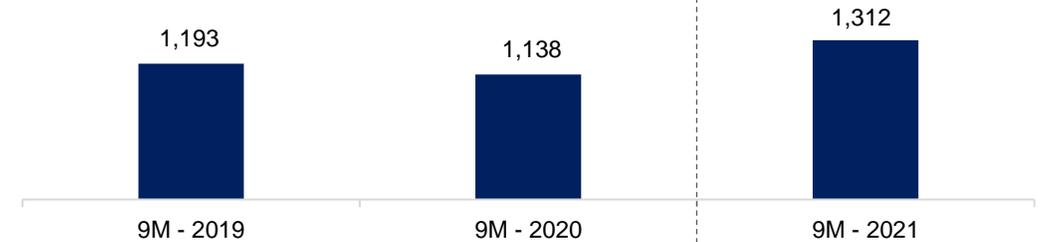
# Manufacturing Segment – Manufacturing, District Cooling, Healthcare and Education

## Manufacturing, Contracting & Services

- Total Income from the Manufacturing, Contracting & Services segment increased to AED 1,311.7 million in 9M 2021 from AED 1,137.8 million in the same period last year, primarily due to a rebound in economic activities that contributed strong growth in manufacturing, contracting, district cooling and glass businesses during 9M 2021
- Profits (attributable to the owners) was substantially higher in 9M 2021 at AED 53.4 million as compared to a loss of AED 21.9 million during the same period in the prior year. The higher profits were a result of higher operating margins achieved by the various subsidiaries within this segment, along with lower finance costs

## Financial highlights (9M 2021)

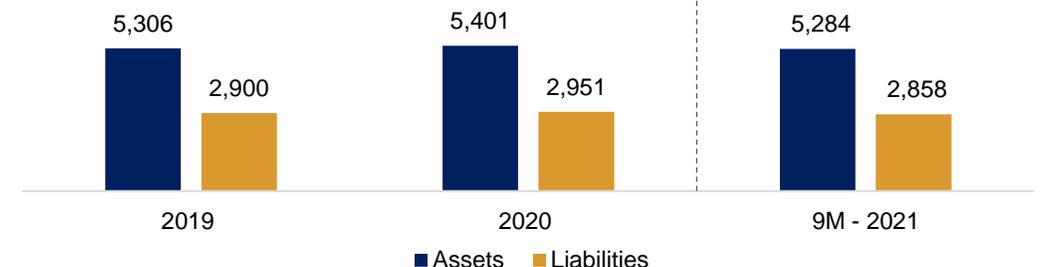
### Total Income (AED m)



### Attributable Profit to Shareholders (AED m)



### Total Assets and Liabilities (AED m)



Note: Figures are rounded to the nearest decimal

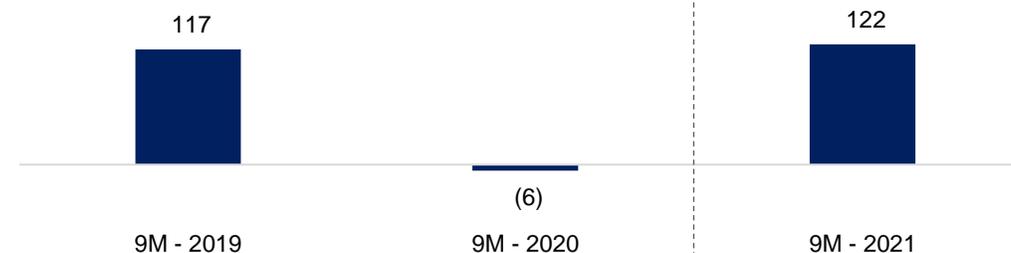
# Financial Inv. Segment – Strategic Interests in Associates & Financial Investments

## Financial Investments

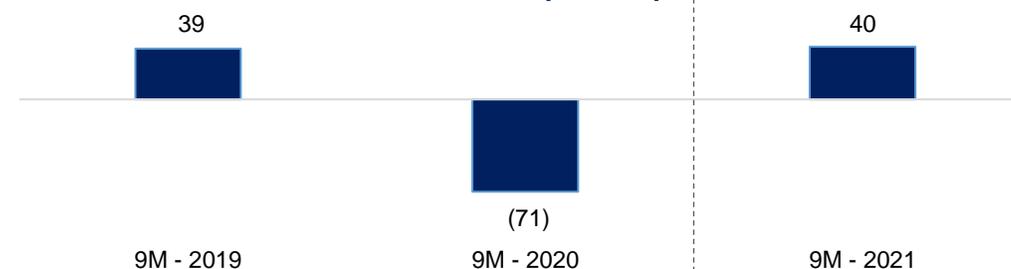
- Total Income from Investments segment was AED 122.4 million in 9M 2021 as compared to a negative income of AED 6.3 million during the same period last year. This was mainly as a result of the turn-around in financial markets which resulted in a gain on fair valuation of investments portfolio of AED 58.3 million as compared to a loss of AED 24.3 million last year
- The Group recorded an income of AED 31.0 million as gain on sale of investments in 9M 2021 – driven by sale of its subsidiary, as compared to an income of AED 16.2 million during the same period in the prior year
- Additionally, the Group recorded a bargain purchase gain of AED 6.9 million in 9M 2021 from the acquisition of additional 36.72% stake in NGI
- As a result of the above, the segment recorded a profit (attributable to owners) of AED 40.4 million in 9M 2021 as compared to a loss of AED 70.5 million recorded in the prior period

## Financial highlights (9M 2021)

### Total Income (AED m)



### Attributable Profit to Shareholders (AED m)



### Total Assets and Liabilities (AED m)



# Management Strategy & Outlook

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# Management Strategy & Outlook: Generate Sustainable Cash Flows to Maximize Shareholder Returns

## Profitability

- Continue to generate steady income, backed by recurring cash flow & rental income streams
- Focus on monetizing real estate investment portfolio to deleverage the balance sheet
  - Focus on sale of all phases of Mirdif Hills development
  - Complete construction of Al Taif Business Centre

## Diversification

- Acquire sustainable income generating assets in Al Mal REIT, to provide consistent flow of cash dividends
- Monitor and nurture Investments in high-performing UAE sectors, including healthcare, education, industrial assets and other profitable companies

## Synergy & Scale

- Replicate successful business models across the region with strong growth potential (e.g. DIP) in new markets
- Bolt on acquisitions/invest in a range of industrial companies and mature businesses, that complement the existing portfolio and enhance synergies

## Risk Management

- Prudent approach to balance sheet and portfolio risk management
- Maintain healthy cash position and liquid investment portfolio and non-core long term investments

## Return Focused

- Divest stakes in mature businesses to enhance shareholder value
- Maintain attractive dividend return profile for shareholders

## Portfolio Information – Flagship Assets

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# Dubai Investment Park - A “City within a City”

TOTAL AREA <b>23</b> million m <sup>2</sup>	NET LEASE AREA <b>17</b> million m <sup>2</sup>
LEASED PLOTS <b>~1,100</b>	INDUSTRIAL <b>60%</b>
LEASED <b>98%</b>	RESIDENTIAL <b>32%</b>
9M 2021 RENTAL INCOME <b>568</b> AED million	COMMERCIAL <b>8%</b>



# Emicool – The Leading District Cooling Provider (to add 2 more zones)

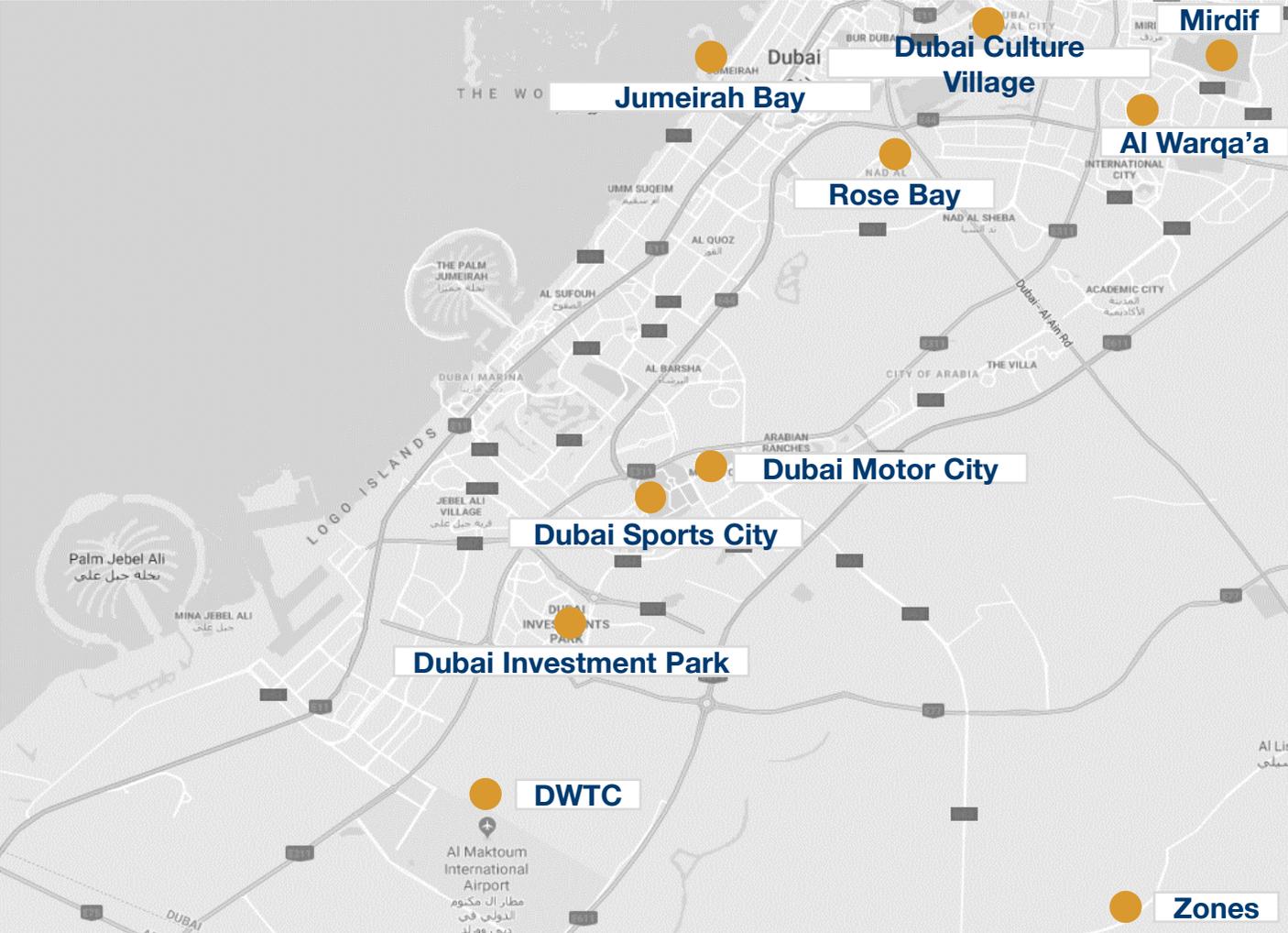


ESTABLISHED  
**2003**

CUSTOMERS  
**~22,000**

EMPLOYEES  
**~250**

ZONES  
**~10**



Note: Figures are rounded to the nearest decimal  
One additional zone not marked in the map above is outside of Dubai, based in Fujairah, UAE

# Glass LLC – The Glass Pioneer in the Middle East

ESTABLISHED

1998

FACILITY

~60,000

Sqm.

PRODUCTION

~1.4 Mn

Sqm. Annually

EXPORTS

~20

Countries

## Subsidiaries



## Key Projects (UAE & Global)



Dubai Airport T3  
(UAE)



Fairmont Hotel  
(UAE)



Index Tower  
(UAE)



Al Ain Stadium  
(UAE)



Nanyang  
University  
(Singapore)



Lyons  
(Australia)



Langham Palace  
(Hong Kong)



Novotel  
(India)



## Investor Relations Contacts and Awards

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# Investor Relations Contact



**Mushtaq Masood**  
Group Chief Financial Officer

Dubai Investments PJSC  
PO Box 28171  
Dubai, UAE

Phone +971 4 8122 400  
Email [mushtaq@dubaiinvestments.com](mailto:mushtaq@dubaiinvestments.com)

[www.dubaiinvestments.com](http://www.dubaiinvestments.com)



**Maher Rabah**  
Investor Relations

Dubai Investments PJSC  
PO Box 28171  
Dubai, UAE

Phone +971 4 8122 400  
Email [maher@dubaiinvestments.com](mailto:maher@dubaiinvestments.com)

[www.dubaiinvestments.com](http://www.dubaiinvestments.com)

# Key Events and Awards



Emirates Glass becomes an authorized dealer of feather friendly bird collision technology



Emicool enters R&D collaboration with Siemens



Al Mal Capital voted 'UAE Asset Manager of the Year' at MENA Fund Manager Awards for the second year in a row



Emicool powered AI-enabled cooling plant delivering 60,000 TR to Dubai EXPO 2020 delivers optimized results



Emirates Insoaire's colored photo-voltaic solar panels will lead to 85% of energy savings at EXPO 2020 Monaco Pavilion



Development of Al Taif Business Center project is nearly 95% complete and expected to be handed over in Q1 2022



Emirates Building Systems, completes 4 EXPO 2020 pavilions worth in excess of AED 23 million



DIP's 7<sup>th</sup> energized DEWA substation increases power generation capacity by 16.66%



Emirates Float Glass won the Industrial Development Bureau Award

# Disclaimer – Forward Looking Statements

This presentation has been prepared solely for informational purposes. The presentation may contain forward looking statements, which reflect our beliefs or current expectations and assumptions regarding the future of the business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Forward looking statements are neither historical facts nor assurances of future performance and can generally be identified by terminology including "anticipate", "aspire", "believe", "estimate", "expect", "forecast", "project", "outlook", "guidance", "strategy", "target", "trend", "future", "likely", "may", "should", "will", "intend", "plan", "goal", "objective", "seek", "roadmap", and other words of similar meaning or similar expressions.

By their nature, forward looking information and statements are subject to known and unknown uncertainties, risks and changes in circumstances that are difficult to predict and not in our control. Our actual results of operational and financial conditions may differ materially from that or those indicated in the forward-looking statements. You should not place undue reliance on any of these forward-looking statements.

Important factors that could cause our actual results of operational and financial conditions to differ materially from those indicated in the forward looking statements include, among others: our ability to maintain adequate revenue levels and cost control; economic and financial conditions in the global markets and regional markets in which we operate, including volatility in interest rates, commodity and equity prices and the value of assets; the implementation of our strategic initiatives, including our ability to effectively manage the redeployment of our balance sheet and the expansion of our strategic businesses; the reliability of our risk management policies, procedures and methods; continued volatility in the capital or credit markets; developments and changes in laws and regulations, including increased regulation of the financial services industry through legislative action and revised rules and standards applied by the regulators.

Any forward-looking statement made by the Company in the presentation is based only on information currently available to us and speaks only as to the date on which this presentation is made. Past performance is not a reliable indication of future performance. We make no representations or warranties as to the accuracy, or completeness of the information and shall not have any liability for any representations, express or implied, regarding the information contained in, or for any omissions from, the information included in this presentation. We undertake no obligation to publicly update any forward-looking statement whether as a result of new information, future developments or otherwise. The information contained in the presentation is prepared to assist prospective investors in making their own evaluation of information about the Company.