

Dubai Investments PJSC



Dubai Investments PJSC FY 2019 Investor Presentation

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Dubai Investments Overview



A Diversified Investment Company Listed on DFM - Market Cap. of c. AED 5.3 Bn¹

Dubai Investments Overview – Total Assets of over AED 20.9 billion with over 16,400 shareholders

A Glance at Dubai Investments

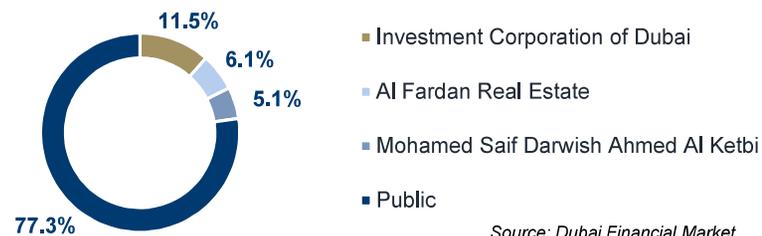


Note: Figures are rounded to the nearest decimal

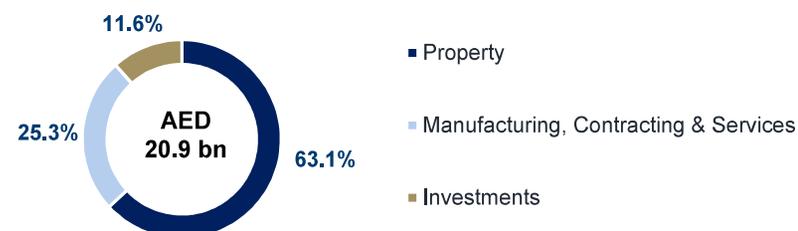


1 As of 1st March 2020

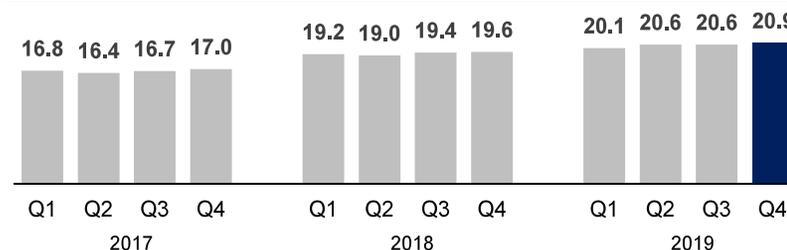
Shareholders (December 2019)



Business Segments by Assets (December 2019)



Total Quarterly Assets (in AED bn)



Source: DI Management & DI Financial Consolidated Report

Board of Directors - A Well Seasoned and Experienced Team



Chairman – Sohail Bin Fares Al Mazrui

Mr. Sohail Al Mazrui has wide experience in Petroleum Engineering and executive experience in the Oil Industry. He is the former CEO of Abu Dhabi National Oil Company (ADNOC) as well as the former CEO and Chairman of Aabar. He holds a degree in Petroleum Engineering and currently is also a Board member of Invest Bank as a Vice Chairman



Managing Director & 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 of Marka PJSC, 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 and Board Member of Ajman Bank PJSC



Vice Chairman– Hussain Mahyoob Sultan Al Junaidy

Mr. Hussain Al Junaidy has been the Chairman and CEO of various companies in the Oil and Gas Industry. He is also the founder and former Group CEO of Emirates National Oil Company (ENOC). He holds a Bachelor of Science in Civil Engineering and is a Chartered Civil Engineer. He is also a Business graduate from School of Business, University of Pittsburgh, USA



Director –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



Director – Ali Fardan Ali 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 and Board Member of Commercial Bank of Dubai PJSC



Director – Mr. 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



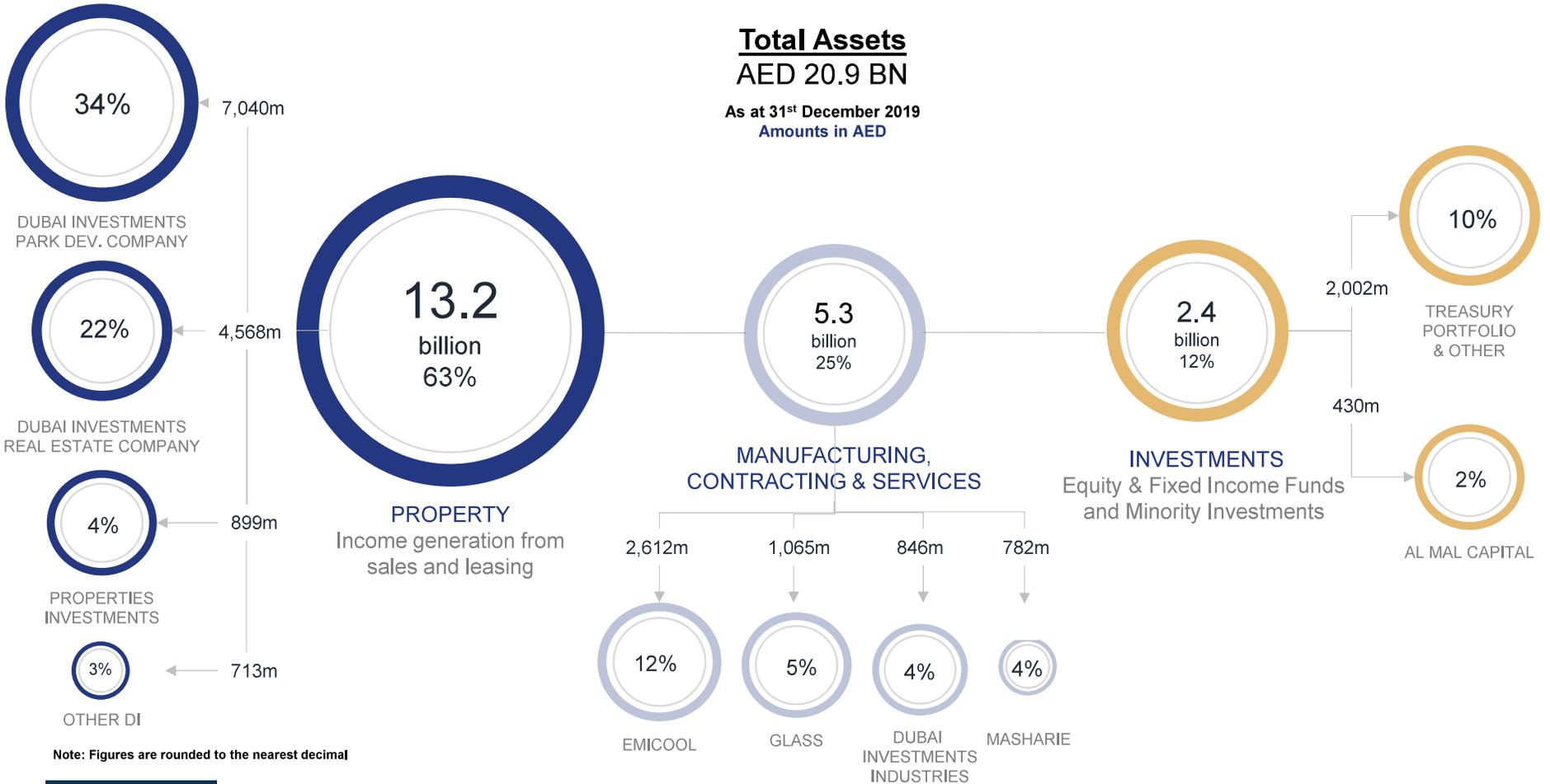
Director – Mohamed Saif Darwish Ahmed Al Ketbi

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 Marka PJSC and Board Member of Al Mal Capital PSC

Diversified Portfolio of Assets Across Real Estate, Manufacturing and Services

Total Assets AED 20.9 BN

As at 31st December 2019
Amounts in AED



Note: Figures are rounded to the nearest decimal



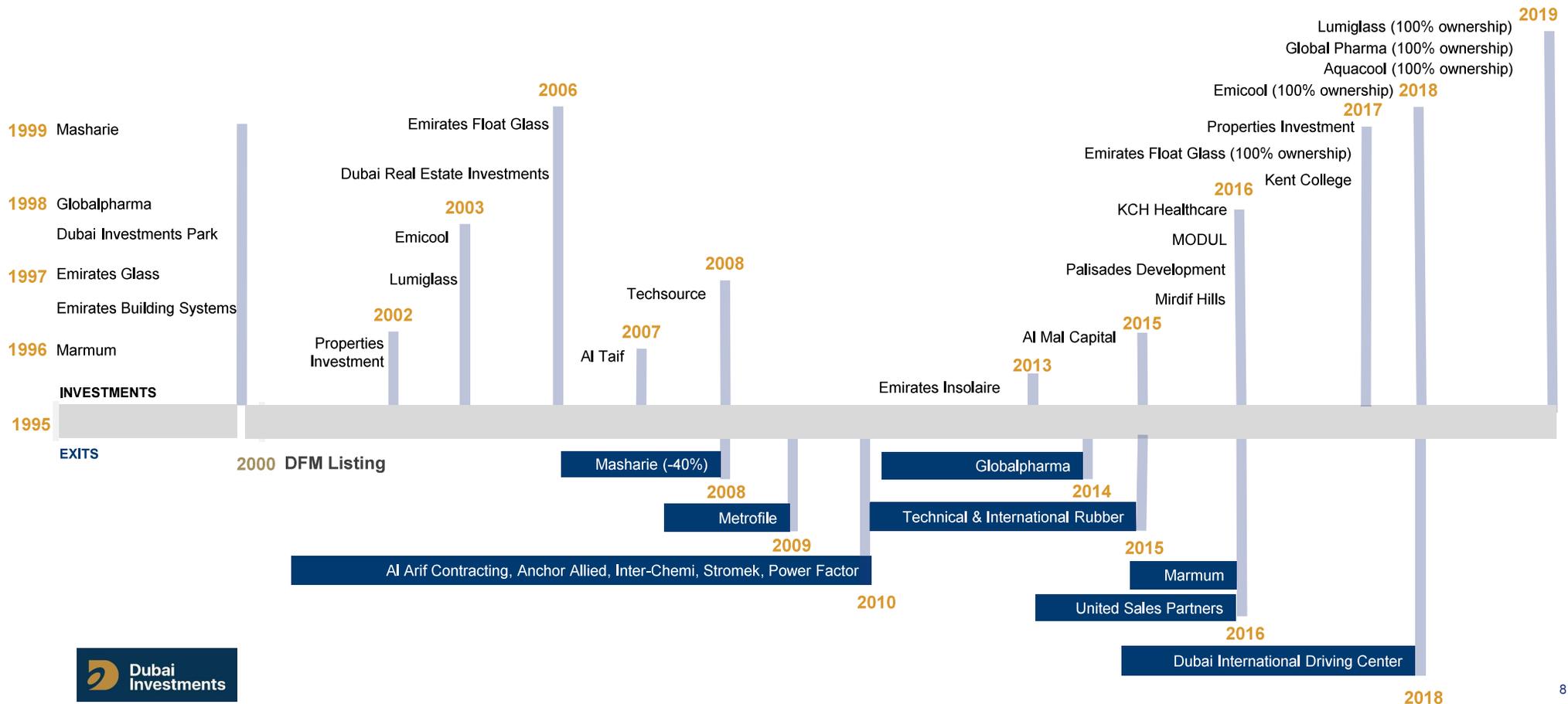
*Percentages highlighted above relate to FY 2019 total assets

Dubai Investments – A Diversified Portfolio of Investments



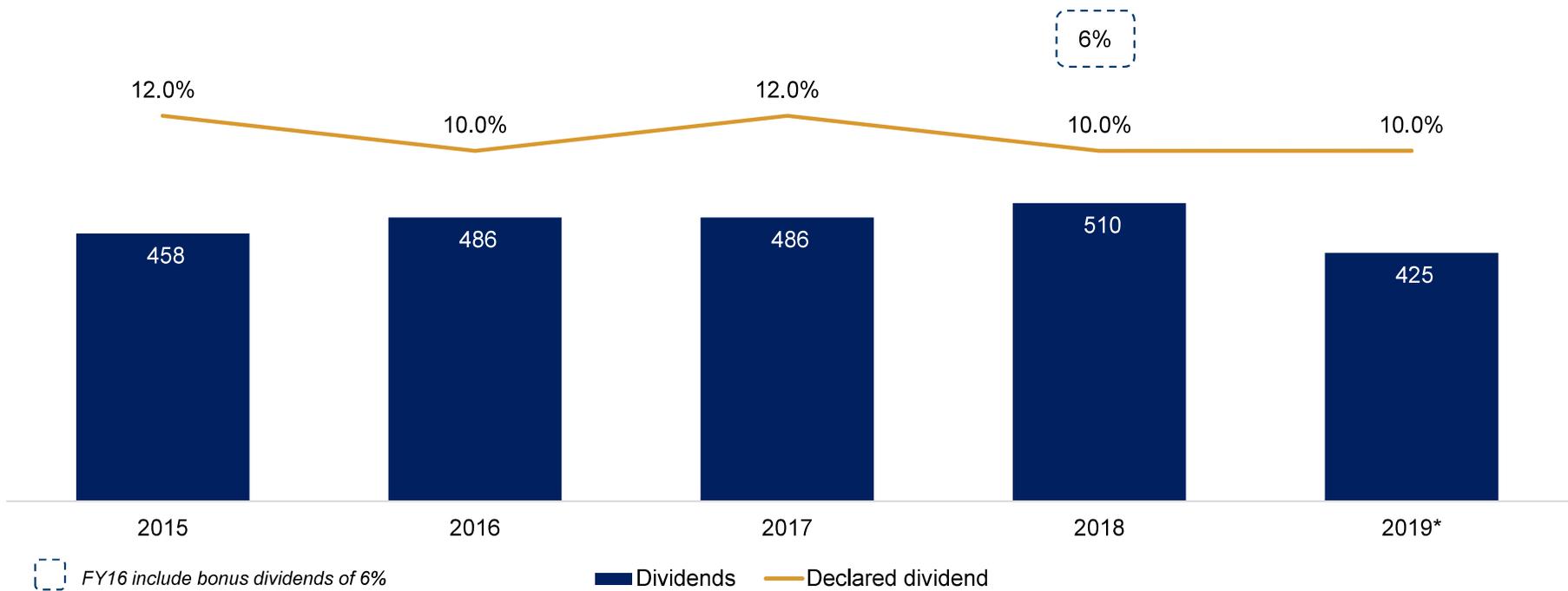
25 Years of Building Businesses and Creating Shareholder Value

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

Dividends (AED million) and Dividend declared



*For the year 2019, the Board of Directors have proposed a cash dividend of 10% (AED 0.10 per share) to the shareholders of the Company.

Management Summary – FY 2019 Financial Highlights



Key Messages – FY 2019

Group Result

- The Group reported Total Income of AED 2,880.0 million with profits of AED 657.4 million (attributable to owners) for the year ended 31st December 2019. The profits were marginally higher as compared to the prior year which were at AED 651.4 Million
- The gain on fair valuation of investments recorded in the current year has compensated for the one-off gain on fair valuation of existing interest in a joint venture recorded in the prior year
- EBITDA for FY 2019 amounted to AED 1,139.5 million on account of strong operating performance by the manufacturing and real estate entities
- Total Assets reached AED 20.9 billion, growing primarily due to consolidation of Globalpharma, adoption of IFRS 16 and cost incurred on development of real estate projects during the year. The Group maintained a healthy cash balance of c. AED 849.2 million and Liquid Investments (Level 1 and 2) of c. AED 1,037.3 million as at 31st December 2019

Portfolio

- Despite of the prevailing challenges in the real estate sector, Rental income remained resilient for FY 2019 at AED 912.3 million, at relatively similar levels as compared to the same period in the prior year - DIP continues to remain a flagship asset contributing c.85% of total rental income in 2019
- Scaling down of non-profitable businesses within the contracting sector contributed to lower contract revenues for 2019
- Key events in 2019:
 - Acquisition of additional 66% equity in Globalpharma, now a wholly owned subsidiary
 - Acquisition of additional 40% and 24.3% in existing subsidiaries Aquacool Metering LLC and Lumiglass LLC respectively. Upon acquisition, these are now 100% subsidiaries of DI
 - Adoption of IFRS 16 accounting policy
 - Repayment of Sukuk Notes amounting to USD 300 million by availing bilateral term loan facilities

Real Estate Projects

- Handover of the Green Community Phase 3 in DIP was completed in 2019
- Development of Mirdif Hills and Fujairah Business Center project has continued in 2019. These projects are expected to be completed by late 2020

FY 2019 – Financial Highlights: Well Capitalized and Profitable Company

TOTAL INCOME 2,880.0 AED million	EBITDA 1,139.5 AED million	ATTRIBUTABLE NET PROFIT 657.4 AED million	EPS 0.15 AED per share	ROE* 5.5%
TOTAL ASSETS 20.9 AED billion	CASH & CASH EQUIVALENTS** c. 1.9 AED billion	NET DEBT 4.6 AED billion	TOTAL ATT. EQUITY 12.0 AED billion	NET DEBT / TOTAL ATT. EQUITY* 38.7%

*Based on 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)

Note: Figures are rounded to the nearest decimal

FY 2019 KPIs: Resilient performance with strong growth in EBITDA

Income and Earnings (AED m)

Consolidated Financials	FY 2019	FY 2018	y-o-y (%)
Total income	2,880.0	3,046.4	-5.46%
Total expenses*	(2,424.5)	(2,508.4)	3.34%
Attributable profit	657.4	651.4	0.92%
EBITDA	1,139.5	979.8	16.30%
EPS (AED)	0.15	0.15	0.92%
ROE % [#]	5.49%	5.47%	0.41%
ROA % [#]	3.14%	3.33%	-5.84%

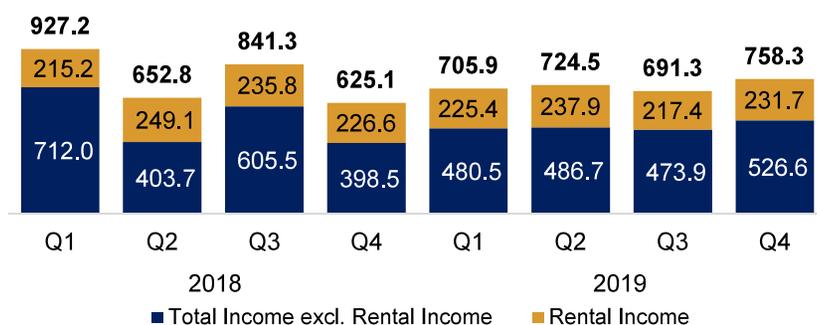
* Includes Direct Operating Costs, S,G.&A. and Finance Expenses

Based on Profit Attributable to Owners of the Company

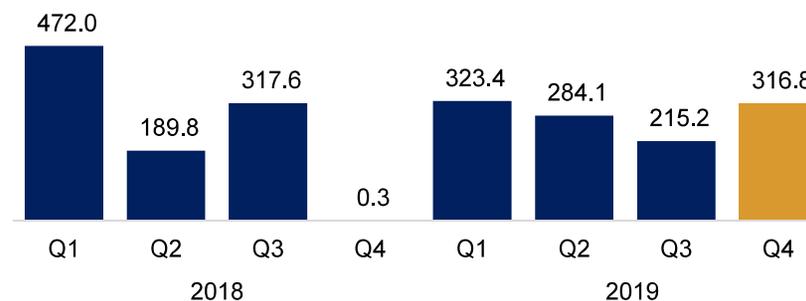
Note: Figures are rounded to the nearest decimal

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

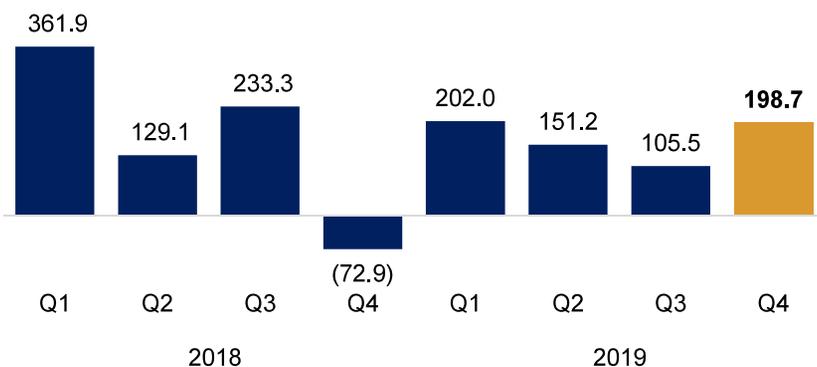
Total Income and Rental Income (AED m)



EBITDA (AED m)



Attributable Profit (AED m)



Note: Figures are rounded to the nearest decimal
EBITDA is calculated after excluding depreciation, finance expense, finance income and net impairment losses

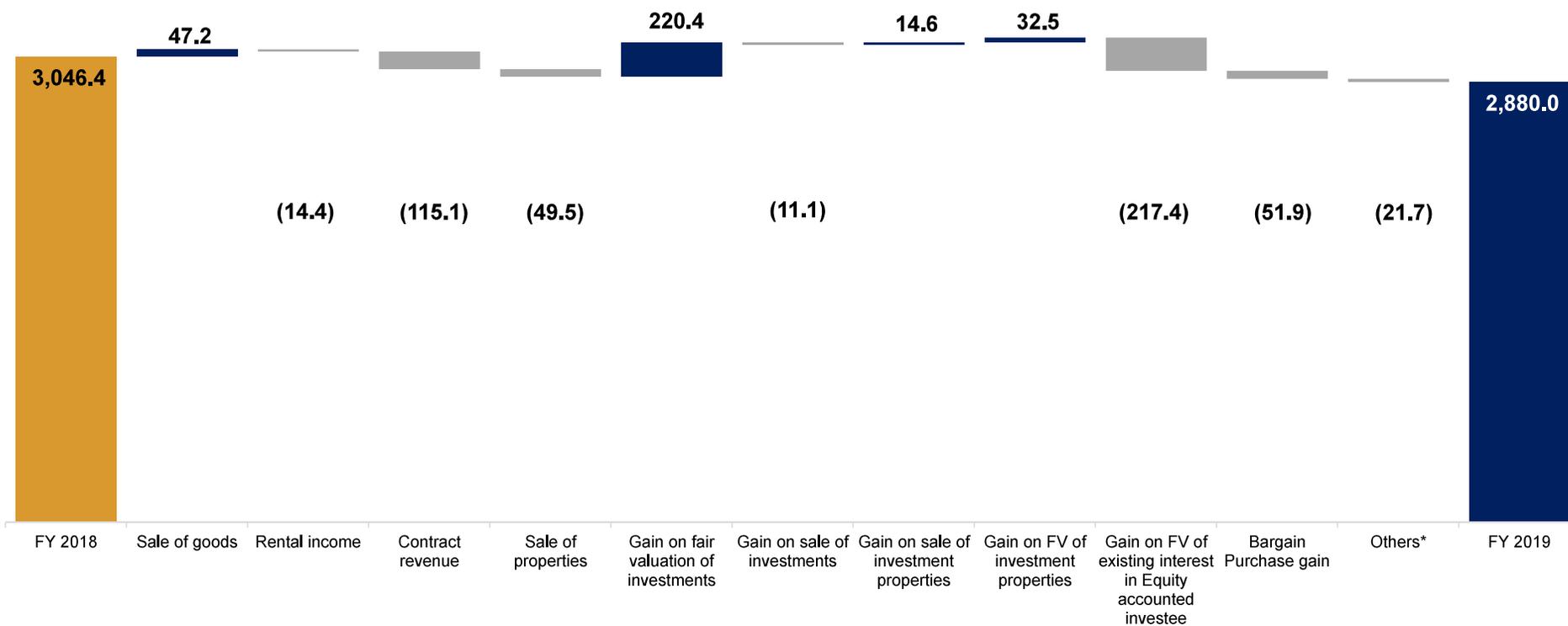


Key Highlights

- Total Income in Q4 2019 (as compared to Q4 2018) increased more than c. AED 130 million due to higher gains from FV of Investment Properties and FV of Investments
- Rental Income remains resilient (despite slow market conditions within the real estate sector) representing 30.6% of Total Income during Q4 2019
- Rental Income from DIP continues to remain robust – c. 85% of total Rental Income in Q4 2019
- In Q4 2018, the EBITDA and Attributable Profit was mainly impacted due to losses on fair valuation of investment portfolio and investment properties as well as other provisions being taken. However, in 2019, there is a strong growth in Attributable Profit and EBITDA on account of better operating performance as well as gain on fair valuation on investment portfolio and investment properties

Total Income Movement Year-on-Year

Total Income Bridge (AED m)

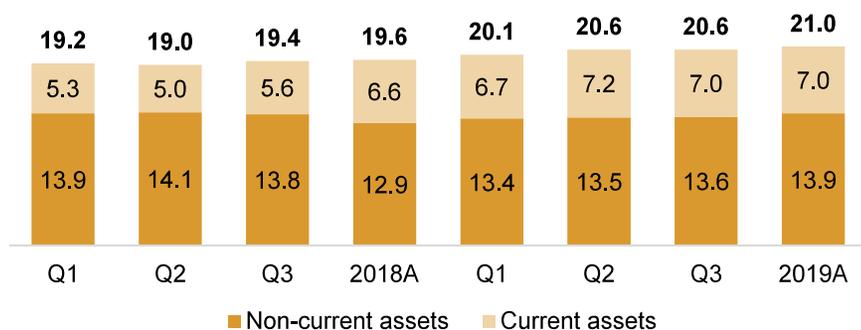


*Others include dividend income and share of profit/loss from equity accounted investees
 Note: Figures are rounded to the nearest decimal

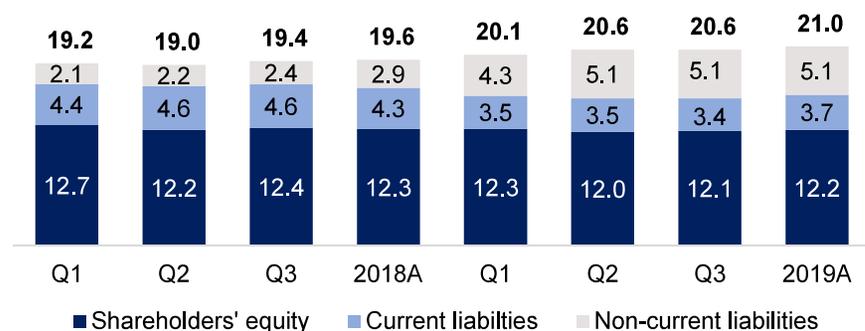


Growth in Assets and Liabilities mainly due to acquisitions made by DI

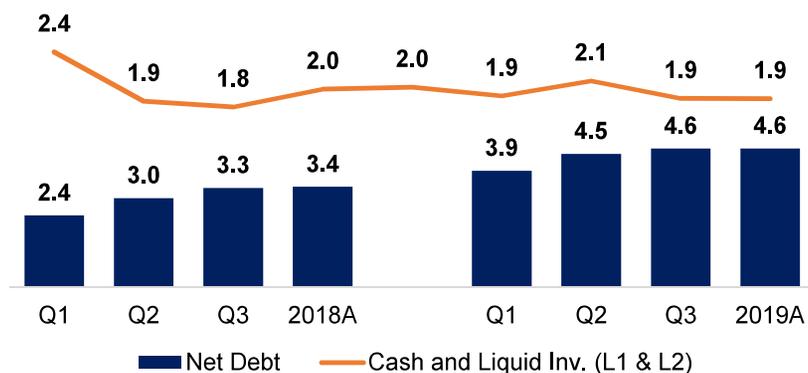
Total Assets (AED bn)



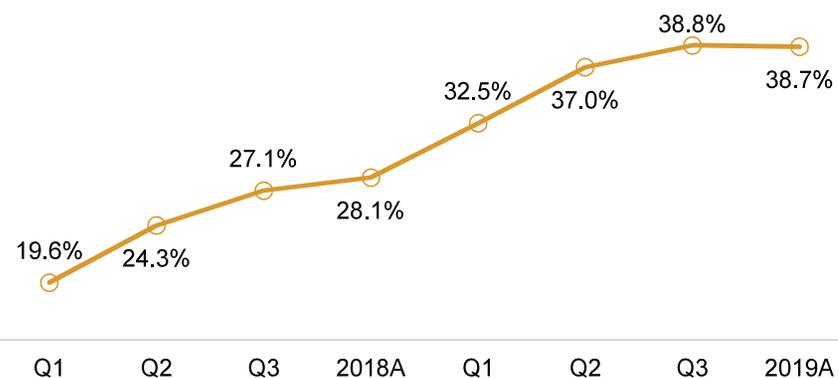
Total Liabilities & Total Equity (AED bn)



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



Net Debt / Total Attributable Equity* (%)



Operational Performance by Business Segment – FY 2019



Property Segment – Development of Real Estate for Sale and Leasing

Property

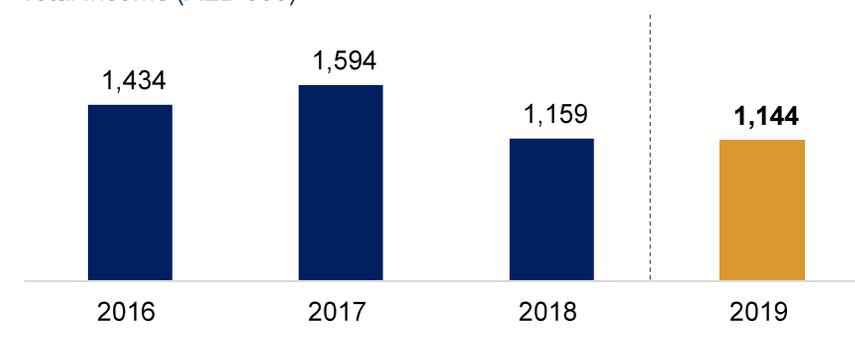
- Despite of the challenging conditions, **Total Income** from the Property segment remained resilient at **AED 1,143.5 million**. The marginal decline of AED 15.1 million from the prior year was largely on account of lower sale of properties
- **Property segment** continues to remain the majority contributor to **Total Assets** at **AED 13,219.9 million** out of the Total Assets portfolio of AED 20,957.2 million. Within the Group's Investment Properties (AED 8,705.1 million), Infrastructure and Ancillary Facilities account for majority - 55% of the Group's Investment Properties portfolio in 2019. Such Infrastructure facilities, located in Dubai Investment Park, are leased on long-term basis and have been **over 98% occupied** over the last 3 years and has been 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. In terms of **profitability (attributable to Owners)** this segment recorded a healthy profit of **AED 612.9 million**. This was marginally lower as compared to the prior year - AED 632.1 million, mainly on account of higher finance cost.

Note: Figures are rounded to the nearest decimal

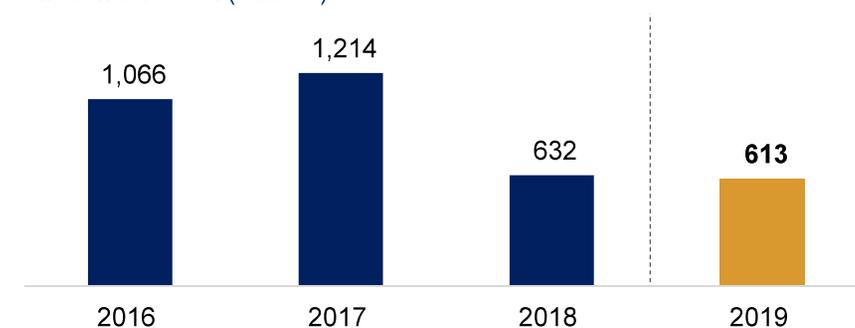


Financial highlights (December, 2019)

Total Income (AED'000)



Attributable Profit (AED m)



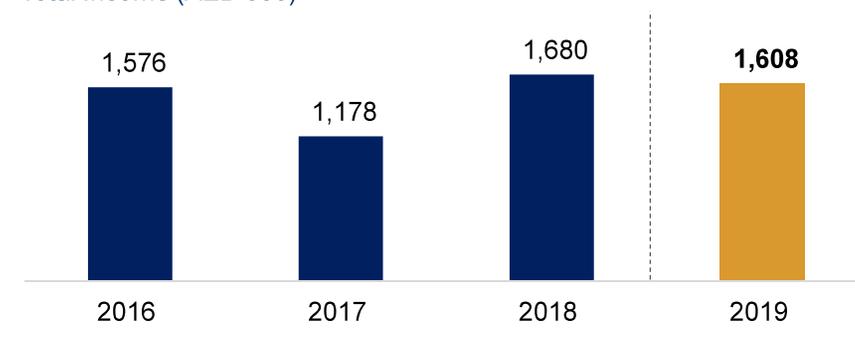
Manufacturing Segment – Manufacturing, District Cooling, Healthcare and Education

Manufacturing, Contracting & Services

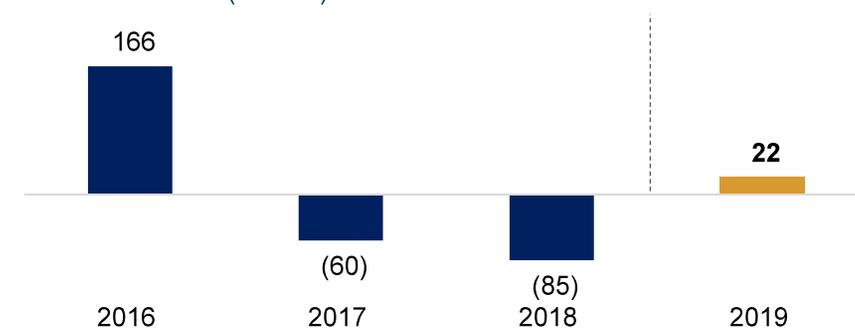
- **Total Income** from the Manufacturing, Contracting & Services segment declined marginally to **AED 1,608.2 million** in 2019 from AED 1,680.3 million in 2018 primarily on account of lower Contract Revenue. The Group wound-down some non-performing contracting businesses significantly in 2019.
- Excluding Income from Contracting, the Income from other businesses of the Group increased by **AED 43.1 million** mainly due to the acquisition of Globalpharma and stronger operating performance of the other manufacturing and service sector entities.
- As a result of the combination of the steps mentioned above, **profits** for this segment **increased by AED 107.5 million** in 2019 (from loss of AED 85.2 million in 2018 to profit of AED 22.3 million in 2019).

Financial highlights (December, 2019)

Total Income (AED'000)



Attributable Profit (AED m)



Note: Figures are rounded to the nearest decimal

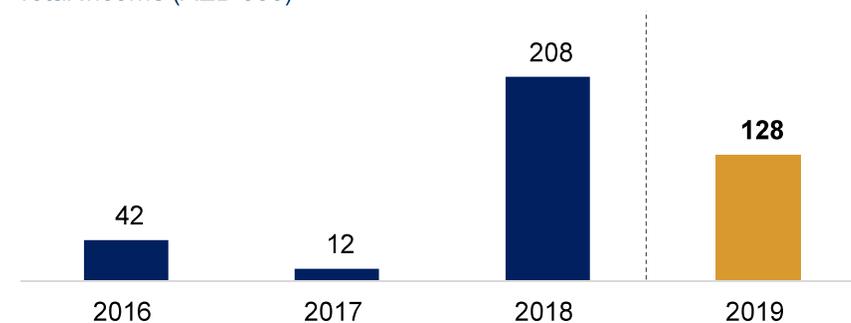
Financial Inv. Segment – Strategic Interests in Associates & Financial Investments

Financial Investments

- **Total Income** from Investments business segment was **AED 128.3 million** as compared to AED 207.5 million in 2018. This includes the gains on fair valuation of existing interest in a joint ventures (acquisitions) made during 2018 (Emicool) and 2019 (Globalpharma)
- Excluding such gain on fair valuation on acquisitions, **Total Income** was **AED 64.5 million** in 2019 as compared to a loss of AED 125.6 million in the prior period. The significant improvement was on account of substantial change in fair valuation of investments due to better performance of the underlying investments during the year
- In terms of profitability (attributable to Owners), this segment recorded **profit of AED 22.2 million** as compared to a profit of AED 104.5 million recorded in the prior year. The profits in the prior year were largely driven by higher gain on fair valuation on acquisitions

Financial highlights (December, 2019)

Total Income (AED'000)



Attributable Profit (AED m)



Note: Figures are rounded to the nearest decimal

Management Strategy & Outlook



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

Profitability	<p>Continue to generate steady income, backed by recurring cash flow & rental income streams with growth in net profitability</p> <p>Focus on monetizing available land bank/Real Estate portfolio to generate a steady and sustainable cash flow stream;</p> <ul style="list-style-type: none">▪ Complete and handover of Mirdif Hills developments in phases during 2020▪ Complete construction of Al Taif mixed-use project (Fujairah) during 2020
Diversification	<ul style="list-style-type: none">▪ The Group, through its subsidiary Al Mal Capital PSC, is evaluating the possibility of launching a REIT in the near future▪ Monitor and nurture investment in healthcare and education sector
Synergy & Scale	<ul style="list-style-type: none">▪ Replicate successful business models across the region that enjoy strong growth potential (e.g. DIP) in new markets GCC, Africa▪ Bolt on acquisitions/invest in a range of industrial companies and mature businesses, that complement the existing portfolio and enhance synergies
Risk Management	<ul style="list-style-type: none">▪ 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	<ul style="list-style-type: none">▪ Divest stakes in mature businesses to enhance shareholder value▪ Maintain attractive dividend return profile for shareholders

Portfolio Information – Flagship Assets



Dubai Investment Park - A “City within a City”

TOTAL AREA 23 million m ²	NET LEASE 17 million m ²
LEASED PLOTS ~1,100	INDUSTRIAL 60%
LEASED 98%	RESIDENTIAL 32%
FY 2019 RENTAL INCOME 776 AED million	COMMERCIAL 8%



Note: Figures are rounded to the nearest decimal



Emicool – The Leading District Cooling Provider



ESTABLISHED

2003

CUSTOMERS

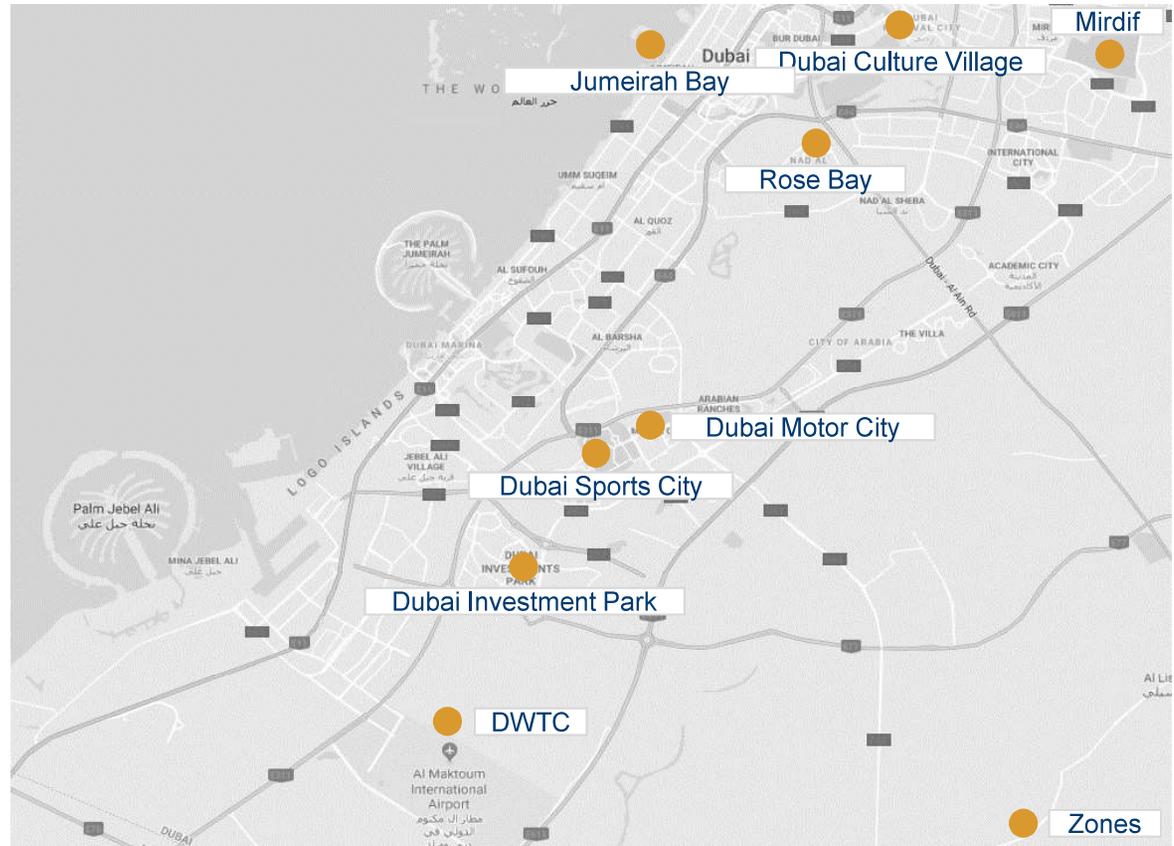
~20,000

EMPLOYEES

~250

ZONES

~8



Note: Figures are rounded to the nearest decimal



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)

Note: Figures are rounded to the nearest decimal



Investor Relations Contacts and Awards



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Key Financial Events and Awards



AI Mal Capital PSC voted 'UAE Asset Manager of the Year' at MENA Fund Manager Performance Awards for 2nd year in a row



Emicool and Total Solar Distributed Generation Inaugurate Solar System at DIP Facility in Dubai



Dubai Investments won the "Impact of Investment Top Choice" at Arab Investor Award 2019



Dubai Investments Real Estate Wins Global Infrastructure Congress Recognition Award



Emirates Float Glass won the Industrial Development Bureau Award



Dubai Investments and Beit Al Khair Create Guinness World Records for most meals delivered in less than three hours



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.