Dubai Investments



Dubai Investments PJSC
1H 2019 Investor Presentation

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Dubai Investments

A Diversified Investment Company Listed on DFM - Market Cap. of c. AED 5.4 Bn[1]

Dubai Investments Overview – Total Assets of over AED 20.6 billion with over 16,700 shareholders

A Glance at Dubai Investments

ESTABLISHMENT

In 1995 as an on-shore investment company to encourage investments across various sectors

OWNERSHIP TYPE

Publicly listed on Dubai Financial Market since 2000

MANAGEMENT

Chairman of the Board **Mr. Sohail Faris Ghanim Ateish Al Mazrui**

MD and CEO
Mr. Khalid Jassim Mohamed Bin Kalban

Dubai Investments

CAPITAL

Share capital of AED 4.3bn
+16,700 shareholders

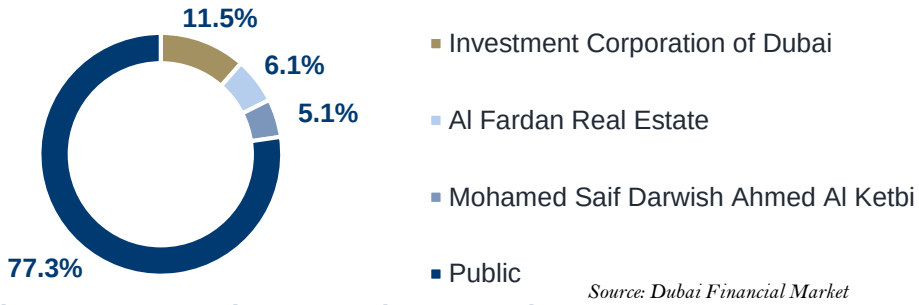
Property, manufacturing, contracting & services and investment businesses

An incubator of more than **35 subsidiaries / associates** 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

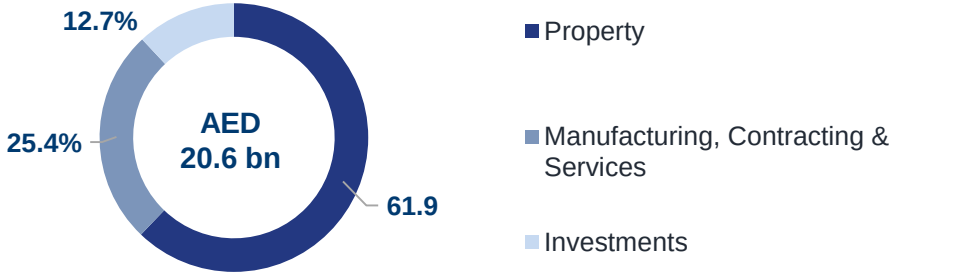
Note: Figures are rounded to the nearest decimal

Shareholders (June 2019)

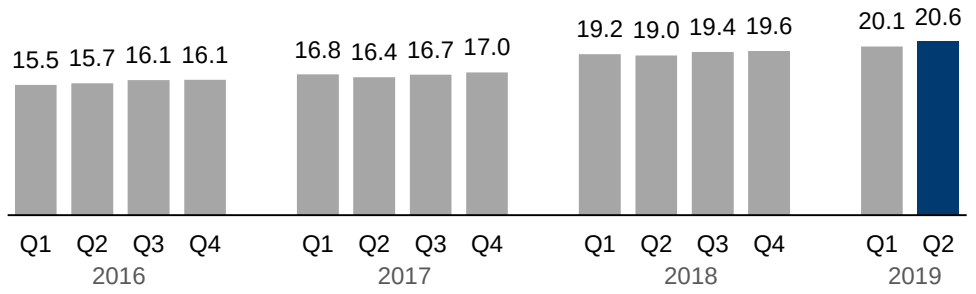


Source: Dubai Financial Market

Business Segments by Assets (June 2019)



Total Quarterly Assets (in AED bn)



Source: DI Management & DI Financial Consolidated Report

1 As of 31 July 2019

Board of Directors



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



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 Pittsburg, USA



Director – Ali Fardan 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 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 Marka PJSC and Board Member of Al Mal Capital PSC



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, Chairman of 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



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 Ambassador of the UAE 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



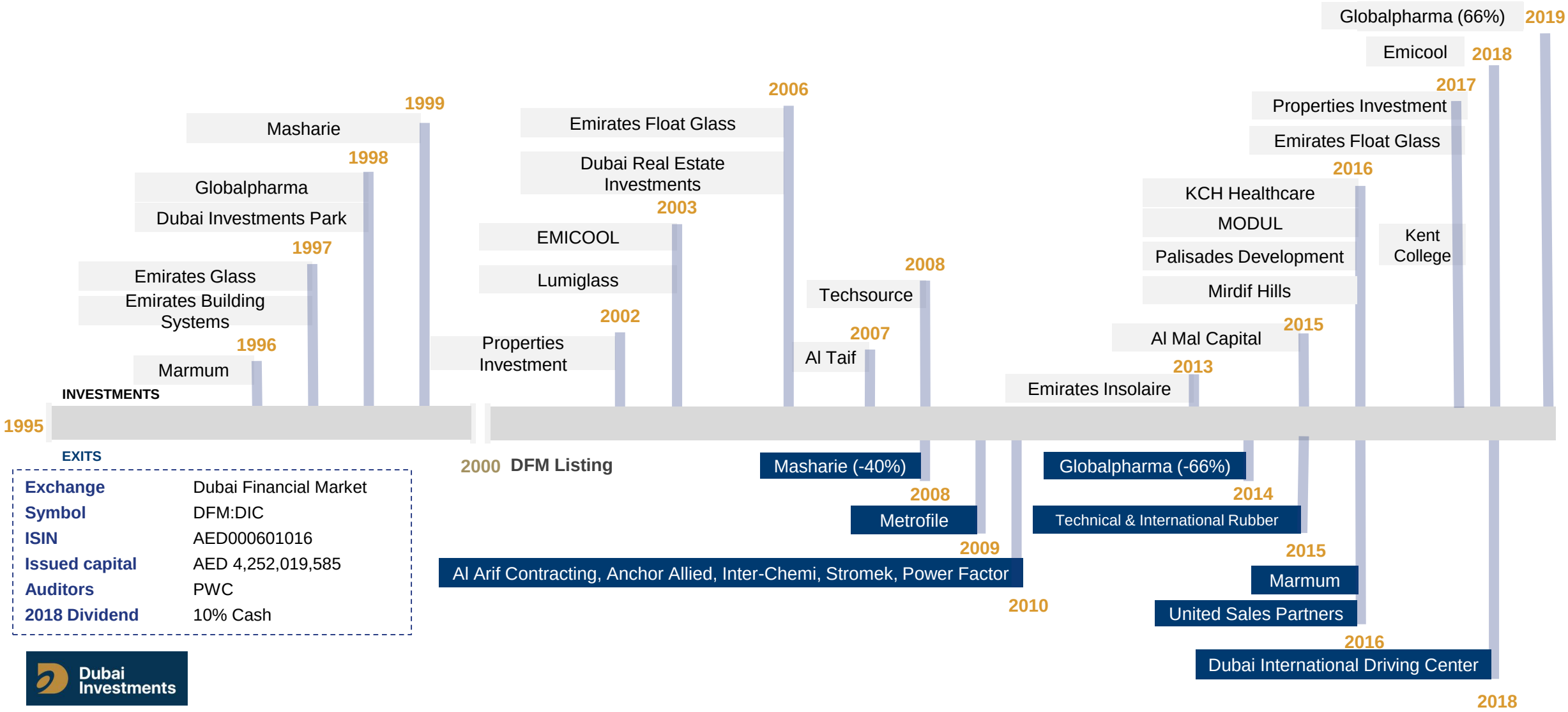
Director – Mr. Khaled Mohammad Al Kamda

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

Dubai Investments

22 Years of Building Businesses and Creating Shareholder Value

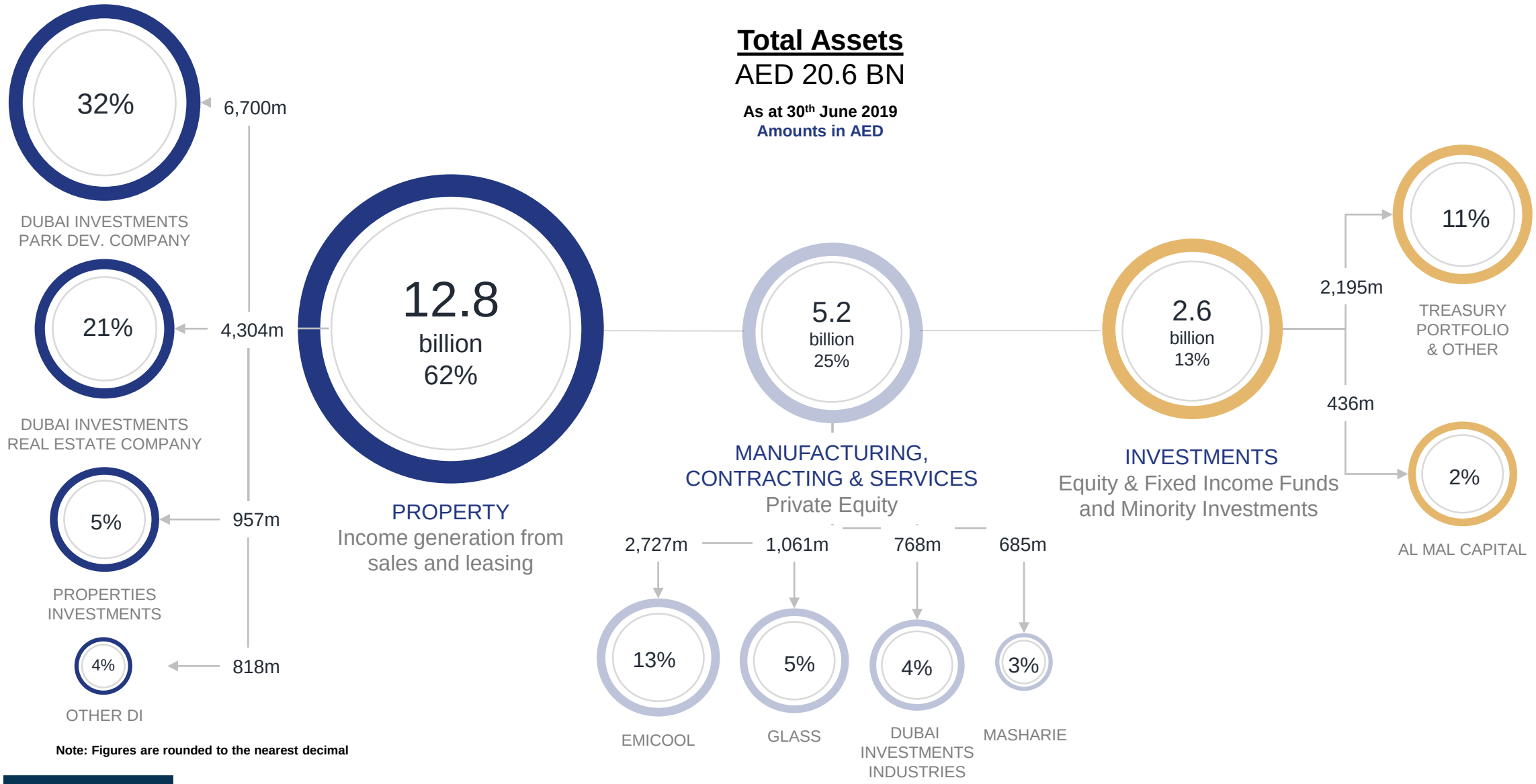
Long-term investment approach in building underlying value of investees – provide the necessary strategic direction along with growth capital; Exit businesses which have matured - enhance shareholder value through the capital gains



Exchange	Dubai Financial Market
Symbol	DFM:DIC
ISIN	AED000601016
Issued capital	AED 4,252,019,585
Auditors	PWC
2018 Dividend	10% Cash

Dubai Investments

Diversified Portfolio of Assets, with a Focus on Real Estate



Note: Figures are rounded to the nearest decimal

Dubai Investments

*Percentages highlighted above relate to 1H 2019 total assets

Flagship asset: Dubai Investments Park - a “City within a City”

TOTAL AREA 23 million m²	NET LEASE 17 million m²
LEASED PLOTS ~1,100	INDUSTRIAL 60%
LEASED 98%	RESIDENTIAL 32%
1H 2019 INCOME* 395 AED million	COMMERCIAL 8%



*Not including fair valuation gain

Management Strategy: Generate Sustainable Cash Flows to Maximize Shareholder Returns

Diversification

- Investment in a broad range of industrial companies - greenfield to mature businesses
- Investment in healthcare and education sector funds
- Real estate & investment portfolio designed to perform through market cycles and generate a steady and sustainable cash flow stream
- Geographic diversification towards other GCC countries and in Africa

Synergy & Scale

- Bolt-on acquisitions as well as synergistic investment portfolio across industry value chains
- Replicable business models to build scale (e.g. DIP) within the GCC/MENA region
- Divest mature business to maximize returns

Risk Management

- Prudent approach to balance sheet and portfolio risk management
- Maintain healthy cash & liquid investments position
- Gradually increase leverage to increase overall returns

Return Focused

- Target minimum ROE of 6-8%
- Attractive dividend payout and total shareholder return

1H 2019 Financial Highlights



Key Messages – 1H 2019

Group Result

- Total Income reached AED 1,430.5 million in 1H 2019 as compared to AED 1,579.9 million in 1H 2018. Excluding the overall gains from merger and acquisitions, Total Income increased by 119.8 million in 1H 2019 backed by improved market conditions lead to better performance of investment portfolio and acquisition of Globalpharma
- Profit attributable to shareholders remained healthy - AED 353.2 million for 1H 2019
- Total Assets reached AED 20.6 billion, growing primarily due to consolidation of Globalpharma and adoption of IFRS 16. The Group maintained healthy cash balance of c. AED 1.0 billion as at 1H 2019

Portfolio

- Despite the volatility in the real estate sector, Rental income remained resilient in 1H 2019 at AED 463.3 million, at similar level 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 1H 2019
- Scaling down of non-profitable businesses contributed to investment income from contracting sector
- Key events in 1H 2019:
  - Acquisition of additional 66% equity in Globalpharma, now a wholly owned subsidiary
  - Adoption of IFRS 16 accounting policy
  - Prepayment of Sukuk Notes amounting to AED 300 million by availing bilateral term loan facility

Real Estate Projects

- Mirdif Hills project passed 50% milestone, sales of Nasayem Avenue launched
  - Signed contract with Millennium Hotels & Resorts MEA to build Copthorne Creek Hotel
- Work progressed ahead of schedule on the AED 460 million Fujairah Business Centre being developed by Al Taif Investment.
- Dubai Investments started infrastructure work on Palisades (DIP)

1H 2019 – Financial Performance: Strong and profitable company

TOTAL INCOME	TOTAL EXPENSES*	EBITDA	ATTRIBUTABLE NET PROFIT	EPS
1,430.5	(1,144.8)	511.2	353.2	0.08
AED million	AED million	AED million	AED million	AED per share

TOTAL ASSETS	CASH	TOTAL LIABILITES	DEBT / EQUITY#	ROE**
20.6	c.1.0	8.6	51.8%	5.9%
AED billion	AED billion	AED billion		

** Includes Direct Operating Costs, S.G.&A. and Finance Expenses*
\# Calculated as Debt/Equity Attributable to Owners of the Company
*** Annualized Attributable Profit to the Owners of the Company*

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1H 2019 – Key Performance Indicators: Resilient performance with strong growth in EBITDA

Income and earnings (AED m)

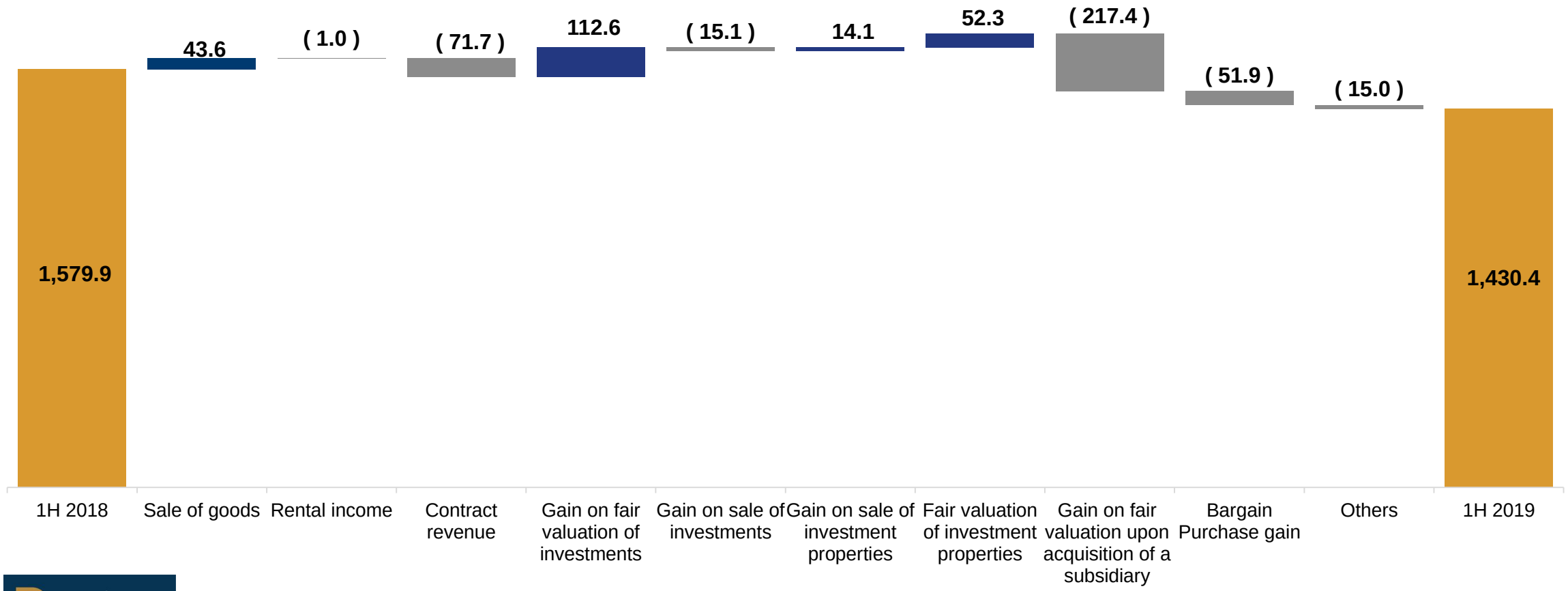
	1H 2019	1H 2018		y-o-y (%)
Total Income	**1,430.4**	**1,579.9**		**-9.5%**
Total expenses*	**-1,144.8**	**-1,164.5**		**-1.7%**
Profit Attributable to Shareholders	**353.2**	**468.3**		**-24.6%**
EBITDA	**511.2**	**328.7**		**55.5%**
EPS as reported (AED)	0.08	0.12		**-33.3%**
ROE %[#]	5.9%	8.0%		**-26.7%**
ROA %[#]	3.4%	5.2%		**-33.7%**

Q1 2018 Total Income includes gain on acquisition of Emicool of AED 333.2mn
**** Includes Direct Operating Costs, S.G.&A. and Finance Expenses***
 # Annualized Attributable to Owners of the Company

Dubai Investments

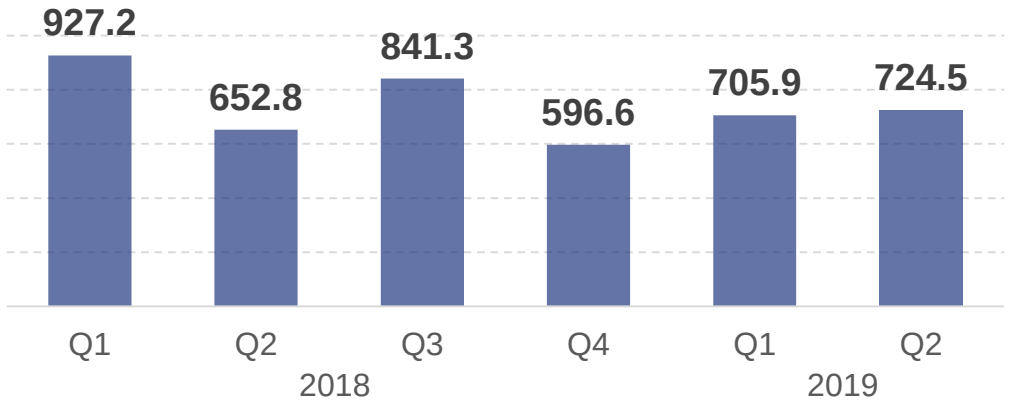
Total Income Movement Year-on-Year

Total Income Bridge (AED m)



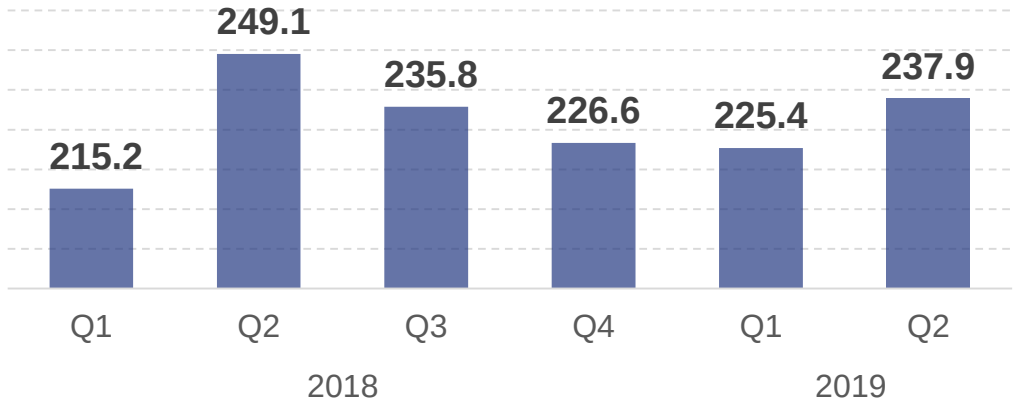
Evolution by Quarter: Continuous growth on Rental Income

Total Income (AED m)



Q1 2018 Total Income includes gain on acquisition of Emicool of AED 333.2MN

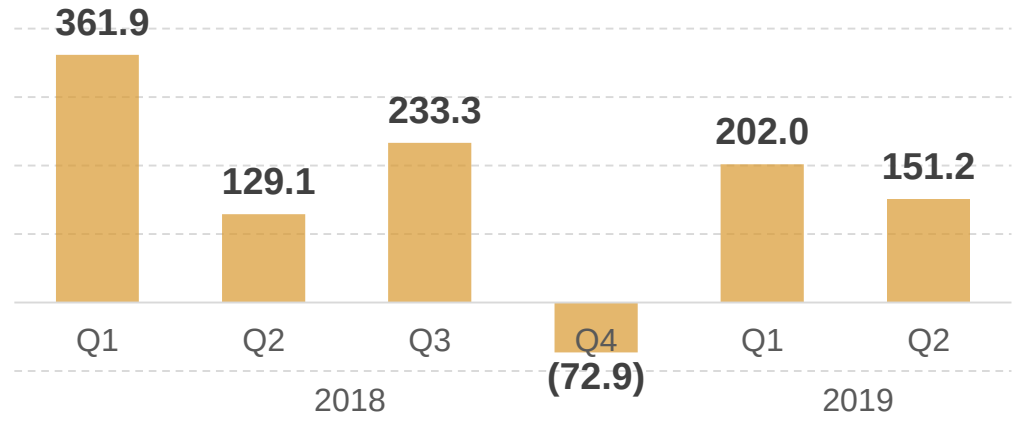
… of which Rental Income (AED m)



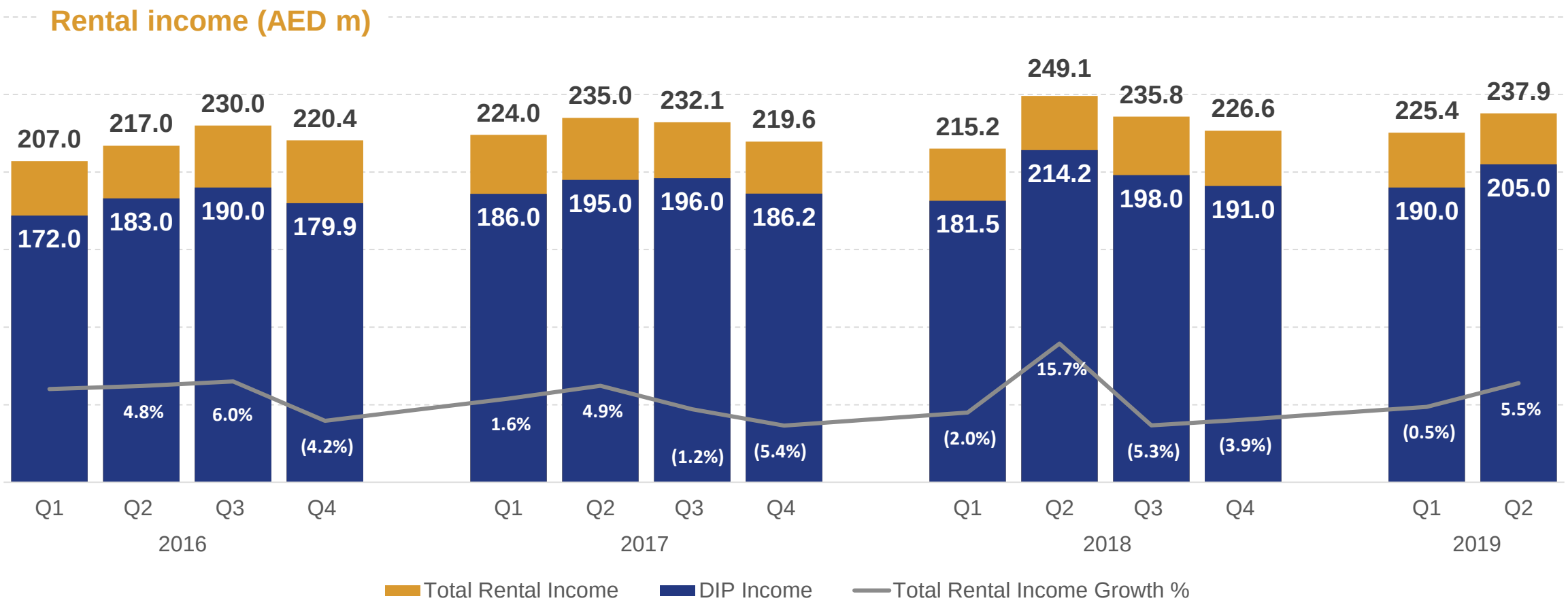
Continuous growth

- Steady growth in Total Income in Q2 2019 (as compared to Q1 2019), backed by growth in manufacturing and services sector and fair valuation of investment properties
- Rental Income remains resilient (despite slow market conditions within the real estate sector) representing 32.8% of Total Income during Q2 2019
- Except Q4 2018, where the Group incurred certain fair valuation losses on investments, the profit attributable to shareholders has remained robust

Profit Attributable to Shareholders (AED m)

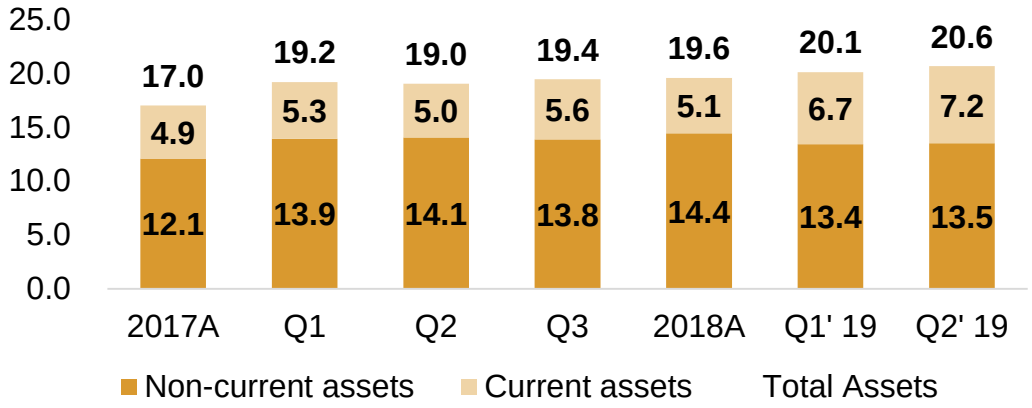


Rental income from DIP continues to remain robust

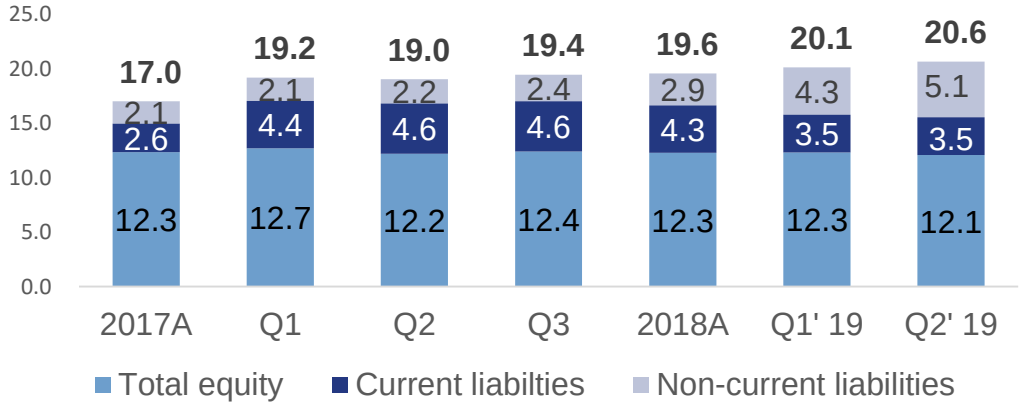


Growth in assets and liabilities mainly due consolidation of acquisitions made by DI

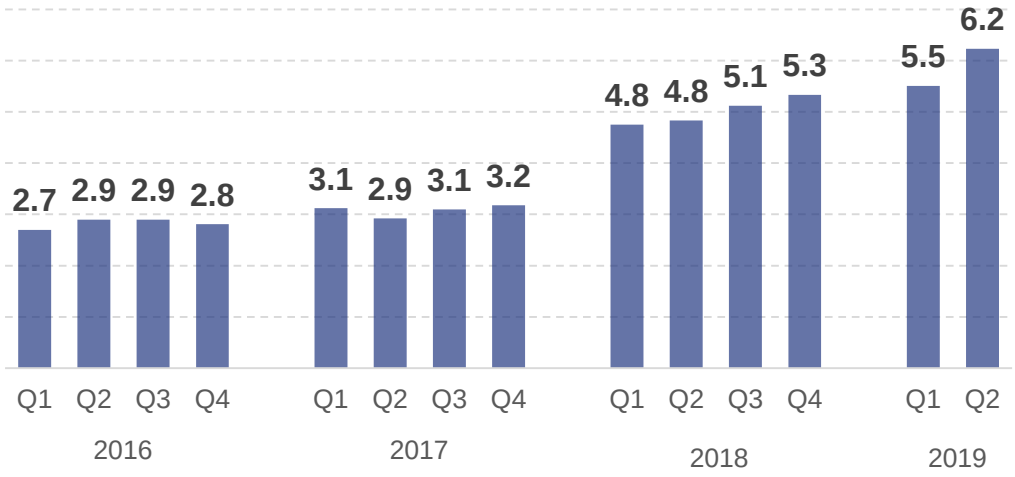
Total Assets (AED bn)



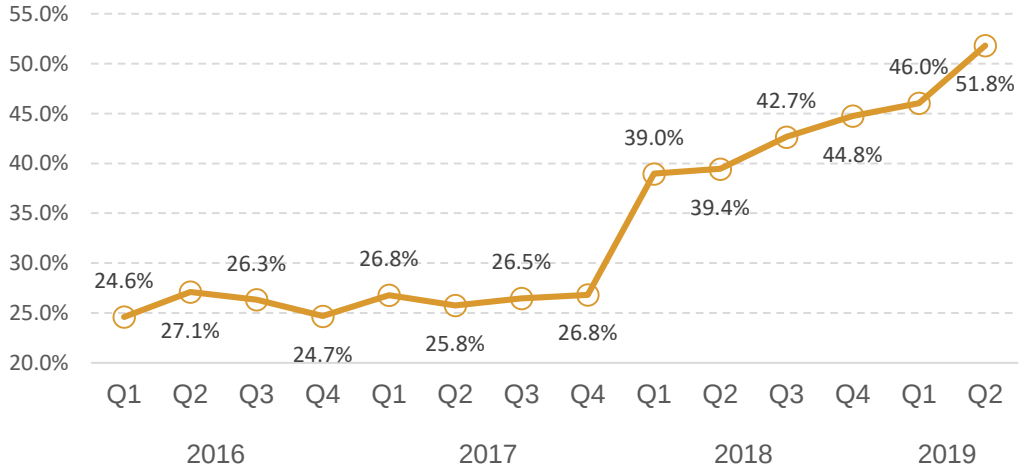
Total Liabilities & Total Equity (AED bn)



Total Debt (AED bn)



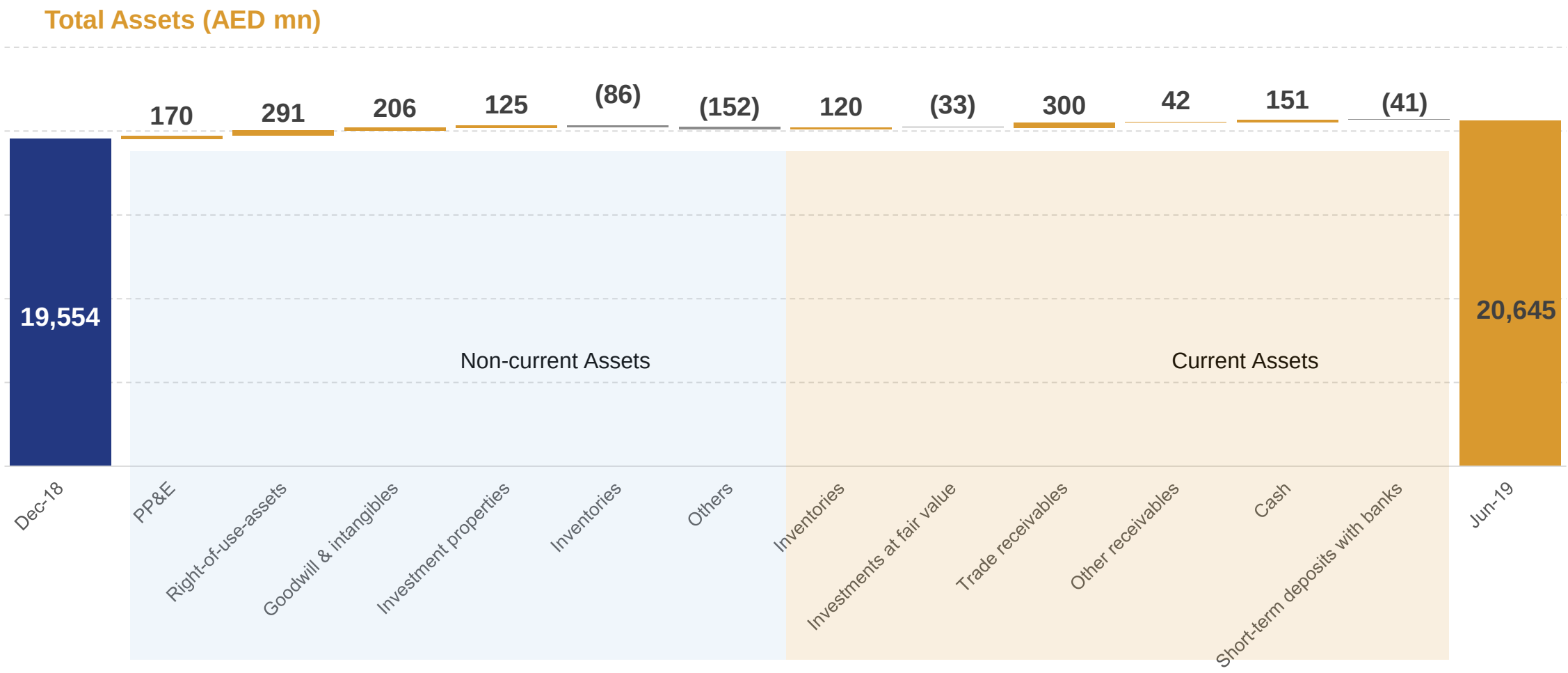
Debt/Equity* (%)



** Calculated as Total Debt/ Equity Attributable to Shareholders*

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Balance Sheet Development: 6% growth since 31st December 2018



*Others include trade receivables, due from related parties, and other receivables

Dubai Investments

Q2 2019 Financial Highlights



Q2 2019 – Financial Performance: Strong and profitable company

TOTAL INCOME	TOTAL EXPENSES*	EBITDA	ATTRIBUTABLE NET PROFIT	EPS
724.5	(606.5)	222.5	151.2	0.04
AED million	AED million	AED million	AED million	AED per share

TOTAL ASSETS	CASH	TOTAL LIABILITES	DEBT / EQUITY#	ROE**
20.6	c.1.0	8.6	51.8%	5.9%
AED billion	AED billion	AED billion		

* *Includes Direct Operating Costs, S.G.&A. and Finance Expenses*
\# *Calculated as Debt/Equity Attributable to Owners of the Company*
** *Annualized Attributable Profit to the Owners of the Company*

Dubai Investments

Q2 2019 – Key Performance Indicators

Income and earnings (AED m)

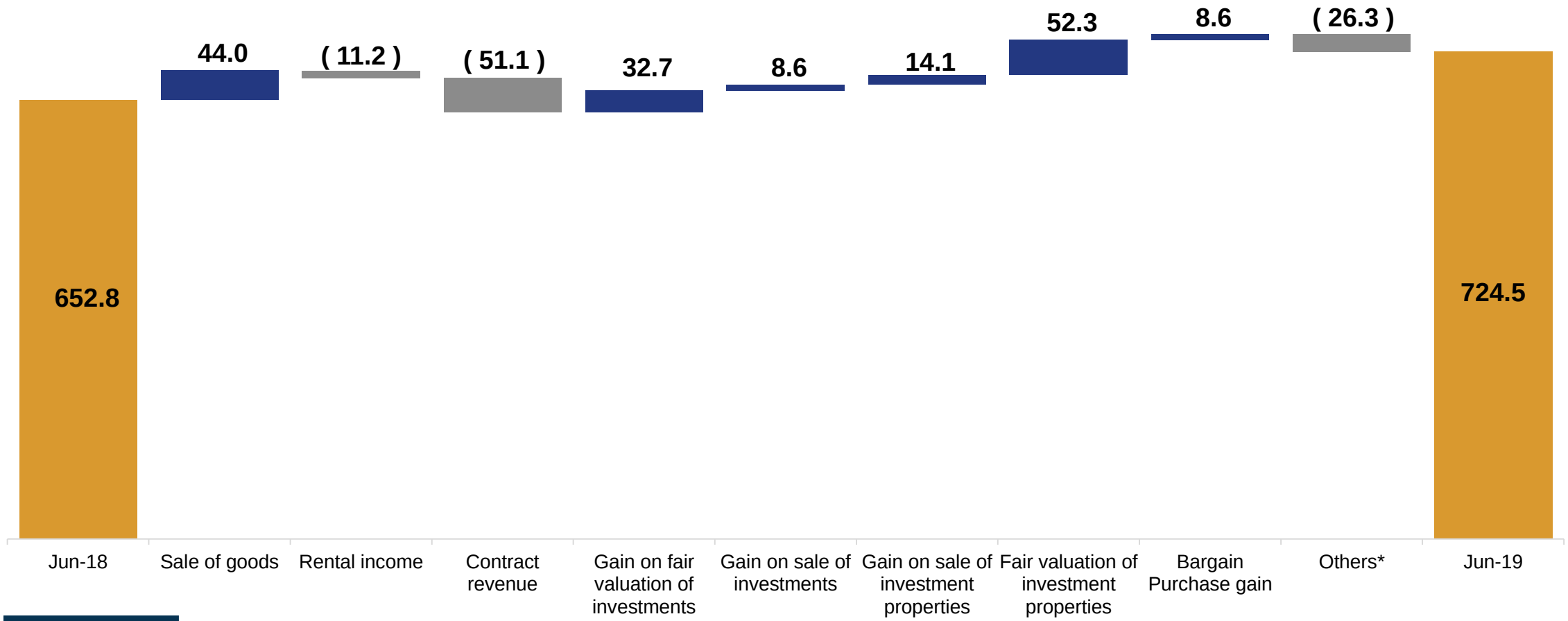
	Q2 2019	Q2 2018	y-o-y (%)
Total Income	**724.5**	**652.8**	**11.0%**
Total expenses*	**-606.5**	**-573.8**	**5.7%**
Profit Attributable to Shareholders	**151.2**	**129.1**	**17.1%**
EBITDA	**222.5**	**189.8**	**17.2%**
EPS (AED)	0.04	0.03	**33.3%**
ROE %#	5.9%	8.0%	**-26.7%**
ROA %#	3.4%	5.2%	**-33.7%**

**** Includes Direct Operating Costs, S.G.&A. and Finance Expenses***
 # Annualized Attributable to Owners of the Company

Dubai Investments

Total Income Movement Year-on-Year

Total Income Bridge (AED m)



Outlook & Guidance

Outlook and Guidance for FY 2019

Total Income & Net Profit

- Continue to generate steady income, backed by recurring cash flow & rental income streams with growth in net profitability
- Focus on monetizing available land bank to perform through the market cycles and enhance revenues and profitability
  - Complete and handover of Mirdiff Hills developments in phases commencing Q4 2019/Q1 2020
  - Sell/Lease the townhouses built as a part of Green Community Phase 3
  - Complete construction of Al Taif mixed-use project (Fujairah): Expected in 2020

Expansion

- Establish Al Mal REIT, DI will become the anchor shareholder of a Real Estate Investment Fund managed by Al Mal Capital
- Diversify business segments - focus on healthcare and education:
  - Complete construction of Clemenceau Medical Centre, ramp-up operations in the newly established KCH Healthcare; expansion of school network in Africa through Africa Crest Education

Shareholder Returns

- ROE between 6-8%
- Divest stake in Emicool to enhance shareholder value
- Maintain attractive dividend return profile for shareholders

Recognitions and Awards



Al Mal Capital PSC named ‘UAE Asset Manager of the Year’ at Mena Fund Manager Performance Awards



Dubai Investments Real Estate Wins Global Infrastructure Congress Recognition Award



Emirates Float Glass won the Industrial Development Bureau Award



TechSource won award for Top 10 Best IT companies to work in the UAE

Investor Relations Contact



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Portfolio Information



Dubai Investments Park – Industrial and Commercial

Business Overview

Dubai Investments Park (DIP) is a self-contained mixed-use industrial, commercial and residential complex.

Spread over a total area of 2,300 hectares, DIP is based on a pioneering concept of creating a “city within a city”.

Includes schools, medical centers, retail complexes, hotels and restaurants, offices and showrooms.

Major Industries

Building Materials, Printing, Food & Beverages, Construction, Furniture, Pharmaceuticals, Plastic, Textile, Power & Utilities, Oil & Gas.

Ownership

100% Dubai Investments



Dubai Investments Park - Residential

Business Overview

DIP residential areas offer a variety of options from high-end residential living to staff accommodation. This comprises across several communities:

- The Green Community - villas, townhouses, apartments
- Ritaj - apartments
- Dunes Village - apartments
- Dubai Lagoon - apartments
- EWAN Residences - apartments



Properties Investment

Business Overview

Properties Investments is involved in investment in, and development of, real estate properties and has developed prestigious residential and recreational projects such as the Green Community and Courtyard Marriott in DIP. Properties Investments was formed in 2002.

Properties Investment is currently working on handover of Green Community Phase 3 in Dubai Investments Park. The project comprises of 210 townhouses, duplex apartments and retail facilities

Ownership

70% Dubai Investments
30% Union Properties











Dubai Investments

Dubai Investments Real Estate Company - Ritaj

Ritaj residential community

Location: Dubai Investments Park

Size: 2.58 million square feet

Objects: 11 residential blocks

1,343 studio apartments
447 one bedroom apartments
194 two bedroom apartments
40 three bedroom apartments

The low rise community also offers shops, cafes, restaurants, supermarket, nursery, medical center, pharmacy and mosque.









Dubai Investments Real Estate Company – Mirdif Hills

Mirdif Hills is a 3.9 million sqft mixed-use residential, commercial, hotel and retail project under development







Development Overview

- Mushrif Park, Mirdif, Dubai
- Freehold plot 949,999 sqft
- 993 residential apartments and 66 serviced apartments
- 4-star hotel (116 rooms + 60 hotel apartments)
- Hospital





Al Taif Investment

Business Overview

Currently working to develop an AED 460 million mixed-use commercial and residential project in Fujairah.

Partnership between Dubai Investments and Government of Fujairah.

Business Overview

60% Dubai Investments
40% Government of Fujairah



Masharie

Business Overview

Investments in medium and large-sized companies operating in construction materials, contracting, interior design and related activities.

During 2012, Masharie divested 5 entities operating in industrial and contracting sectors at an IRR ranging from 12% to 34%.

During 2015, Masharie divested additional 2 companies at an IRR of 18%.

Divested its investment in Dubai International Driving Center LLC during 2018 at an IRR of 21%.

Ownership

75.58% Dubai Investments

Emirates Extrusion Factory — Aluminum sheet production	White Aluminium Extrusion L.L.C — Aluminum extrusions for construction and industrial sector	folcrá beach Aluminium Architectural Facades — Aluminum design, manufacturing and installation
Lite-Tech Industries, A Philips Lighting Joint Venture — Indoor and outdoor lighting (JV with Philips)	GDS — Switchgear and electrical equipment	GMC Gulf Metal Craft — Stainless steel products
GDS Gulf Dynamic Services — Interior decoration and turnkey projects	LABTEC — Laboratory and hospital furniture systems	Delta Company Limited شركة دلتا المحدودة

Dubai Investments Industries

Business Overview

DII is the greenfield investment arm of Dubai Investments across diversified industry sectors:

- Acquired 26.75% stake in King's College Hospital Healthcare LLC - total project value is AED 700 million
- Acquired 30% stake in Emirates Aluminium Rolling LLC in KIZAD, Abu Dhabi – total project value is AED 440 million
- Divested 100% of Marmum Dairy Farm and United Sales Partners in 2016
- Acquired 90% in MODUL University Dubai
- Established University of Balamand in DIP in 2018
- Acquired 66% stake in Globalpharma in 2019

Ownership

100% Dubai Investments

Steel structure manufacturing	Overhead lifting solutions and maintenance	Polystyrene insulation board materials
Manufacturing of Pharmaceuticals	Software development and IT consulting	Oilseed crushing facility for vegetable oil
MODUL University Dubai	University of Balamand Dubai	Flat rolled aluminum products
Kings college hospital and clinics in Dubai		

Glass LLC

Business Overview

Premium quality glass solutions from float glass manufacturing of high end architectural glass and float laminated glass.

Five subsidiaries:

Emirates Float Glass	UAE's largest float glass facility with capacity of 600t of glass per day
Emirates Glass	Architectural glass
Saudi American Glass	Architectural glass
Lumiglass	Bullet resistant and special glass
Emirates Insolaire	Colored solar glass and panels

Dubai Investments acquired additional 12.57% stake in Emirates Float Glass, increasing its shareholding to 100% in 2017

Ownership

100% Dubai Investments













Dubai Investments

Emicool

Business Overview

Emicool is a B2B and B2C district cooling company that provides clean, efficient and innovative solutions to a number of communities in the UAE.

Established in 2003 as joint venture between Dubai Investments and Union Properties (50%:50%).

Acquired additional 50% controlled by Union Properties in 2018.

Ownership

100% Dubai Investments



Al Mal Capital

Business Overview

Al Mal Capital, founded in 2005, is a diversified, multi-line investment banking firm headquartered in Dubai. Licensed and regulated by the UAE Central Bank, Al Mal Capital offers a wide range of investment products spread across its business lines of investment banking, brokerage and asset management.

Dubai Investments acquired majority stake in Al Mal Capital in 2015.

Ownership

66.61% Dubai Investments



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.

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