10 December 2024

Parkin and AWQAF Dubai to Develop New Multi-Storey Parking Facility in Dubai's Al Sabkha District

Parkin Company PJSC ("Parkin" or the "Company"), the largest provider of paid public parking facilities and services in Dubai, announces that it has entered into a Memorandum of Understanding ("MoU") with the Dubai Endowments and Minors' Trust Foundation ("AWQAF Dubai"), the Dubai endowment authority, for the development of a new multi-storey car park ("MSCP").

Key Takeaways

- As part of a collaborative public-private partnership, Parkin has entered into an MoU with AWQAF Dubai to fund the construction of a new barrierless MSCP in Al Sabkha, Dubai
- Parkin will oversee project implementation, operation and management
- Development could commence as soon as H2 2025, subject to planning consent
- Over a 25-year period, it is expected that the venture will generate AED 200 million for AWQAF Dubai

Under the agreement, AWQAF Dubai will provide the financial backing for the development of the asset, while Parkin will leverage its market-leading expertise to manage, operate and maintain the barrierless smart parking facility. The new MSCP will occupy approximately 175,000 sq ft of space, with 350 parking spaces across seven floors. A further 9,600 sq feet will be dedicated to retail space on the ground floor, driving additional ancillary revenues. The MSCP will offer cutting-edge parking technology and premium services helping to maximise the return on investment for AWQAF Dubai.

The unique partnership is projected to generate estimated cash flows of AED 200 million for AWQAF Dubai over a 25-year period, as well as an accretive return profile for Parkin once operational, which would increase over the duration of the venture. Subject to planning approval, it is anticipated that construction could commence as soon as H2 2025, with an expected build time of approximately two years.

Parkin's existing public parking portfolio includes a number of MSPCs, strategically located in some of the most densely populated areas of the Emirate, close to commercial offices, retail outlets, hotels and public transport hubs, effectively capturing local parking demand. MSCPs operate around the clock throughout the year, with charges applicable at all times.

This initiative builds upon AWQAF Dubai's commendable experience of financing and successfully executing real estate projects, including shopping malls, residential properties, retail spaces and mosques. In line with previous partnerships, this collaboration aligns with Dubai's vision for diversified and sustainable endowment growth, contributing to both economic prosperity and community well-being.

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Parkin Company P.J.S.C

Eng. Mohamed Abdulla Al Ali, CEO of Parkin, commented:
"As the clear market leader of paid public parking facilities and services in Dubai, we are pleased to partner with AWQAF Dubai to develop and deliver a technologically advanced, multi-storey parking experience in the heart of the Emirate. Our smart, sustainable parking solutions will diversify endowment investments, enhancing returns, while supporting the city's societal and economic development. As one pillar of our diversified growth platform, we remain committed to leveraging our unrivalled expertise and technology to explore further partnership opportunities in this expanding sector."

His Excellency Ali Mohammed Al Mutawa, Secretary-General of AWQAF Dubai, stated:
"Through our partnership with Parkin, we aim to develop impactful infrastructure projects that strengthen our efforts to diversify endowment investments, supporting Dubai's broader strategy for sustainable development as well as reflecting our dedication to social responsibility and community progress. Additionally, we seek to generate endowment returns that contribute to the economic and community progress of the Emirate."

IR and Media Enquiries

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About Parkin Company PJSC

With a unique blend of operational excellence, technological know-how and enforcement capability spanning almost three decades, Parkin Company PJSC is the largest provider of paid public parking facilities and services in the Emirate of Dubai, operating approximately 200k paid parking spaces. Parkin has a monopoly on Dubai's on and off-street paid public parking market and a leading share of the total on and off-street paid parking market.

Under a 49-year Concession Agreement with Dubai's Roads and Transport Authority (RTA), Parkin has the exclusive right to operate a portfolio of public on and off-street parking (c.180k spaces) as well as public multi-storey car parking facilities (c.3k spaces). Parkin also operates certain developer-owned parking facilities through partnership agreements across the Emirate (c.24k spaces). Additional revenue streams include enforcement, the issuance of seasonal permits, parking reservations and other commercial activities.

By deploying state of the art digital payment solutions and intelligent parking management systems that utilise artificial intelligence and big data analysis, Parkin's customers successfully conducted 95m parking transactions during 9M 2024.

Dubai's parking operations were established in 1995 under the Dubai Municipality, before becoming part of the RTA in 2005. In December 2023, Parkin Company PJSC was established through the issuance of Law No. 30 of 2023, successfully completing its initial public offering (IPO) on the Dubai Financial Market in March 2024.

Cautionary Note: Forward-looking Statements

This press release may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including terms such as "believes", "targets", "estimates", "budgets", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They may appear in a number of places throughout this release and include, but are not limited to, statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, Parkin's results of operations, financial position, liquidity, prospects, growth and industry expectations. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances outside the Company's control. Forward-looking statements are not a guarantee of future performance and the development of the industry in which the Company operates and may differ materially from those described in, or suggested by, any forward-looking statements contained in this release. In addition, even if the development of the industry in which Parkin operates is consistent with the forward-looking statements contained in this release, those developments may not be indicative of developments in subsequent periods. A number of factors could cause results and/or developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, demand, supply, industry trends, assumptions, competition, actions and activities of governmental authorities (including changes in laws, regulations or taxation), and their effect on the timing and feasibility of future projects and developments. Except as required by applicable law, rule or regulation, the Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Past performance cannot be relied on as a guide to future performance.

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