



# Amlak Finance PJSC

Investor Presentation

**FY 2020**

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# Company Profile

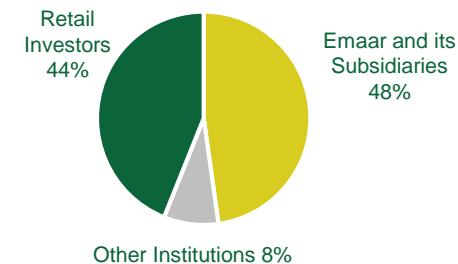
## Background

- Amlak Finance PJSC was incorporated in Dubai, United Arab Emirates, on 11 November 2000 as a Private Shareholding Company.
- At the constituent shareholders meeting held on 9 March 2004, a resolution was passed to convert the Company to a Public Joint Stock Company.
- Amlak Finance is a leading specialized real estate financier in the Middle East.
- The activities of the Company are conducted in accordance with Islamic Sharia'a,
- Amlak offers a range of customized financial solutions and products to investors/clients for both ready and off-plan properties.
- Amlak expanded its presence to Kingdom of Saudi Arabia (KSA) in 2006 through investment in 'Amlak International for Real Estate Finance Company'.
- Amlak launched its first international office in Egypt in 2007, which operates under the name "Amlak Finance Egypt Company S.A.E'.
- Following the completion of its highly successful financial restructuring in 2014, Amlak is pursuing a prudent business strategy that is also now well-placed to work towards continuous enhancement of value for its shareholders.

## Subsidiaries and Associates

Company	Location	% Shareholding
Amlak Property Investment LLC	UAE	100%
Amlak Capital LLC	UAE	100%
Amlak Holding Limited	UAE	100%
Warqa Heights LLC	UAE	100%
Amlak Sky Gardens LLC	UAE	100%
EFS Financial Services LLC	UAE	57.5%
Amlak Limited	UAE	100%
Amlak Finance Egypt Company S.A.E	Egypt	100%
Amlak Nasr City Real Estate Investment LLC	Egypt	100%
Amlak International for Real Estate Finance Company	KSA	18.35%

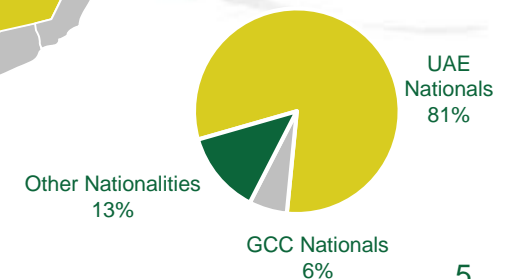
## Ownership Structure



## Geographic Presence



## Nationality of Ownership



## Key Strategies

### Strategic Priorities

### Strategic Intents

### Strategic Metrics

#### Restructuring

- Ensuring full compliance with and adherence to revised agreement reached with the Depositors.
- Flawless implementation of restructuring milestones

#### Liquidity & Compliance

#### Organizational Capability

- Robust risk management to manage risks within risk appetite.
- Staff and talent development and retention as well as boosting corporate brand.

#### Customer Satisfaction

#### Cost Rationalization

- Ensure cost rationalization to maintain and align efficiency ratios

#### Efficiency

### Enhance shareholder value whilst adhering to restructuring obligations

#### Real Estate Financing (REF)

Key Metrics	Actual YE 2020	Targeted 2020
Portfolio Level	AED 1.8Bn	AED 2.2Bn
Delinquency Rate	4%	5%
Rental Income	AED 17.8Mn	AED 19.8Mn

#### Ready Property

- Utilize targeted marketing approach to reach identified client segments, utilizing alliances where appropriate
- Exit Amlak Finance Investment Unit (AFIU) repossessed assets
- Improve portfolio quality

#### Real Estate Investments (REI)

Key Metrics	Actual YE 2020	Targeted 2020
Rental Income	AED 24.3Mn	AED 19.3Mn
Rental Yield	-28.3%	-5%
Mark to Market (MTM) on real estate assets	AED (355)Mn	AED (50)Mn

- Focus on value creation by continuing to develop land parcels
- Maintain high asset yield and low vacancy rates for ready properties
- Enhance property management offering
- Exit Asset Management portfolio

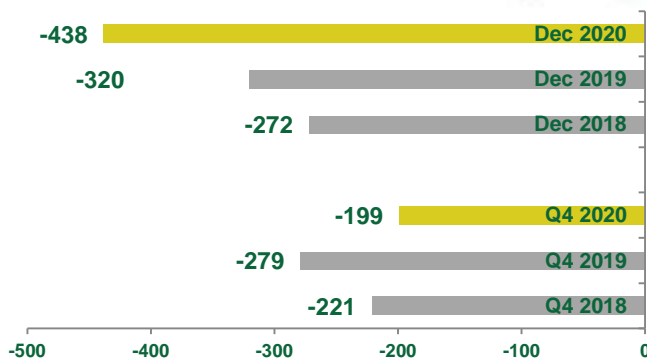
# Group Income Statement

AED in Mn

Particulars	Q4 2020	Q4 2019	Q4 2020 vs. Q4 2019		Dec 2020	Dec 2019	Dec 2020 vs. Dec 2019	
			Variance	Change in %			Variance	Change in %
Income from Financing and Investing assets	40	41	(1)	-2%	169	172	(3)	-2%
Rental income	7	13	(6)	-46%	42	57	(15)	-26%
Sale of properties under development	-	-	-	-	-	-	-	-
Fair value gain / (loss) on investment properties	(135)	(91)	(44)	48%	(463)	(18)	(445)	2472%
Loss on sale of investment properties	(50)	(8)	(42)	525%	(84)	(18)	(66)	367%
Other Income	144	25	119	476%	265	50	215	430%
<b>Total Income</b>	<b>6</b>	<b>(20)</b>	<b>26</b>	<b>130%</b>	<b>(71)</b>	<b>243</b>	<b>(314)</b>	<b>-129%</b>
Reversal of impairments / (impairments)	(106)	(183)	-77	-42%	(266)	(257)	(9)	4%
Amortization of initial fair value gain on investment deposits	(43)	(22)	(21)	95%	90	(96)	186	-194%
Operating Expenses	(37)	(29)	(8)	28%	(112)	(117)	5	-4%
Cost of sale of properties under development (including related operating expenses)	-	-	-	-	-	-	-	-
Share of results of an associate	4	2	2	100%	20	17	3	18%
<b>Profit Before Distribution to financiers / investors</b>	<b>(176)</b>	<b>(252)</b>	<b>76</b>	<b>-30%</b>	<b>(339)</b>	<b>(210)</b>	<b>(129)</b>	<b>61%</b>
Distribution to financiers / investors	(23)	(27)	4	-15%	(99)	(110)	11	-10%
<b>Profit / (Loss) for the year</b>	<b>(199)</b>	<b>(279)</b>	<b>80</b>	<b>-29%</b>	<b>(438)</b>	<b>(320)</b>	<b>(118)</b>	<b>37%</b>

Dec stands for 12 months of the year (i.e. 12 months from Jan to Dec) .Q4 stands for the fourth quarter of the year only (i.e. 3 months Oct to Dec)

## Profit / (Loss) for the period



## Highlights

- Total revenues (excluding fair value loss on investment properties) of Dec 2020 amounted to AED 412 million, higher by 48% compared to AED 278 million in Dec 2019.
- Revenues from financing business activities is marginally lower by 2% comparing to the same period in 2019.
- The company reported net loss of AED 438 million in Dec 2020 compared to AED 320 million net loss in Dec 2019.
- Operating costs remained under control amounting to AED 112 million, a decrease of 4% compared to 2019.
- Impairment charge of AED 266 million on Islamic Financing Assets compared to AED 257 million in same period last year; this increase in impairment can largely be attributed to the impact of COVID-19. .

## Group Balance Sheet

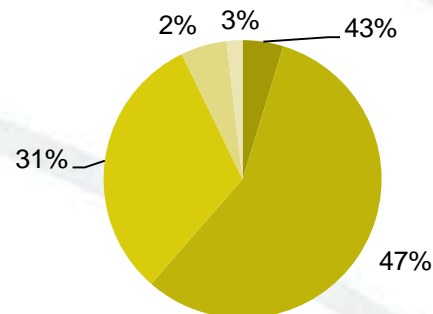
AED in Mn

Particulars	YE 2020	YE 2019	YE 2020 vs. YE 2019	
			Variance	Change in %
Cash and Balances with Banks	189	183	6	3%
Islamic Financing and Investing Assets	2,262	2,435	-173	-7%
Real Estate Investments	1,252	2,320	-1,068	-46%
Corporate Investments	214	297	-83	-28%
Other Assets	74	72	2	3%
<b>Total Assets</b>	<b>3,991</b>	<b>5,307</b>	<b>-1,316</b>	<b>-25%</b>
Investment Deposits and Other Islamic Financing	3,634	4,171	-537	-13%
Other Liabilities (Incl Non-Controlling Interest)	112	429	-317	-74%
Equity	245	707	-462	-65%
<b>Total Equity &amp; Liabilities</b>	<b>3,991</b>	<b>5,307</b>	<b>-1,316</b>	<b>-25%</b>

### Highlights

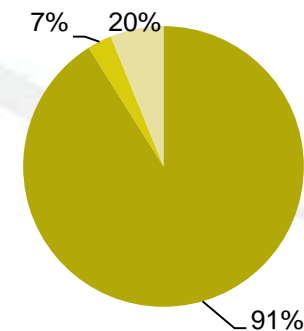
- Total assets of Amlak stand at AED 3.99 billion FY 2020 (2019: AED 5.3 billion) and total liabilities at AED 3.7 billion (2019: AED 4.6 billion)

Assets Mix – Dec 2020



- Cash and balances with banks
- Islamic financing and investing assets
- Real Estate Investments
- Corporate Investments
- Other Assets

Liability and Equity Mix – Dec 2020



- Investment deposits and other Islamic financing
- Other liabilities (incl non-controlling interest)
- Equity

## Awards



2017

2018

2019



mea Awards  
Arif Alharmi  
Amlak Finance PJSC  
2017 UAE Leading Decision Makers Awards  
Chief Executive Officer of the Year 2017 - Dubai

1. Best Sharia Compliant Property Finance Company
2. Best Islamic Finance CSR Company UAE 2017
3. Best for Sharia Compliant Property Finance
4. 2017 UAE Leading Decision Makers Award Chief Executive Officer of The Year 2017 – Dubai.
5. Best Real Estate Product (Double Your Property)\_ UAE
6. Best Home Finance Company

1. Global Islamic Business Award 2018
2. Dubai Chamber's CSR Label 2018
3. Best Islamic Finance CSR Company UAE 2018
4. Best Sharia Compliant Property Finance Company 2018
5. Best Real Estate Financier 2018 & Award for Excellence in Client-Focused Financial Services

1. Best Islamic Finance CSR Company UAE 2019
2. Best Sharia Compliant Property Finance Company UAE 2019





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