



# Amlak Finance PJSC

Investor Presentation

Q1 2021

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# Content

<b>1</b>	<b>Amlak at a Glance</b>	
	Company Profile	4
<b>2</b>	<b>Strategic Focus</b>	
	Key Strategies	5
	Segment Strategy	6
<b>3</b>	<b>Financial &amp; Operating Performance</b>	
	Group Income Statement	7
	Group Balance Sheet	8
<b>4</b>	<b>Appendix</b>	
	Awards	9

# Company Profile

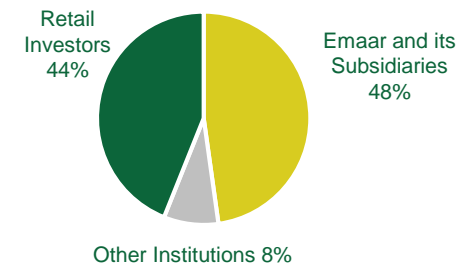
## Background

- 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%

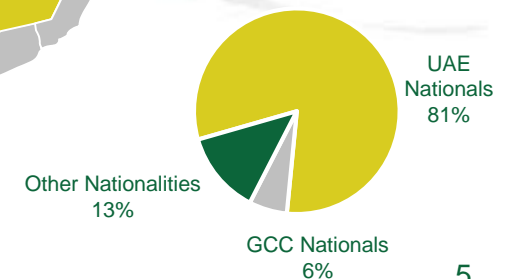
## Ownership Structure



## 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 Q1 2021	Targeted 2021
Portfolio Level	AED 1.64Bn	AED 1.84Bn
Delinquency Rate	3.6%	4%
Rental Income	AED 2.03Mn	AED 2.2Mn

#### 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 Q1 2021	Targeted 2021
Rental Income	AED 4.67Mn	AED 5.40Mn
Rental Yield	1.63%	3.03%
Mark to Market (MTM) on real estate assets	AED 1 Mn	AED 0 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



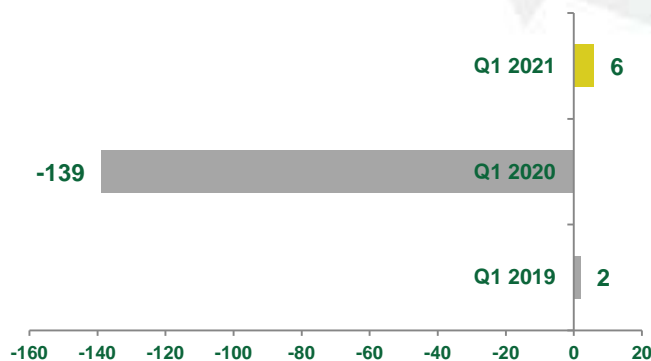
## Group Income Statement

AED in Mn

Particulars	Q1 2021	Q1 2020	Q1 2020 vs. Q1 2021	
			Variance	Change in %
Income from Financing and Investing assets	43	44	(1)	-2%
Rental income	7	13	(6)	-46%
Loss on sale of Investment properties	(2)	(7)	5	-71%
Fair value gain / (loss) on investment properties	-	(129)	129	-100%
Other Income	40	15	25	167%
Share of results of an associate	5	6	(1)	-17%
<b>Total Income</b>	<b>93</b>	<b>(58)</b>	<b>151</b>	<b>260%</b>
Reversal of impairments / (impairments)	(15)	(6)	(9)	150%
Amortisation of initial fair value gain on investment deposits	(25)	(22)	(3)	14%
Operating Expenses	(24)	(26)	2	-8%
Cost of sale of properties under development (including related operating expenses)	-	(2)	2	-100%
<b>Profit Before Distribution to financiers / investors</b>	<b>29</b>	<b>(114)</b>	<b>143</b>	<b>125%</b>
Distribution to financiers / investors	(23)	(25)	2	-8%
<b>Profit / (Loss) for the year</b>	<b>6</b>	<b>(139)</b>	<b>145</b>	<b>104%</b>

Q1 stands for the first quarter of the year only (i.e. 3 months January to March)

### Profit / (Loss) for the period



### Highlights

- The Company's total revenues increased to AED 93 million in Q1 2021, up by 260% compared to AED-58 million in Q1 2020.
- Revenues from financing business activities decreased by 2% to AED 43 million during Q1 2021 compared to AED 44 million in Q1 2020.
- Operating costs decreased by 8% to AED 26 million in Q1 2021, compared to AED 24 million during the same period last year.
- In Q1 2021, The Group recorded an impairment charge of AED 15 million on Islamic Financing Assets compared to AED 6 million in Q1 2020; this increase in impairment is mainly due to a financial default of one developer.
- Net profit of AED 6 million in Q1 2021 compared to AED -139 million net profit in Q1 2020.

## Group Balance Sheet

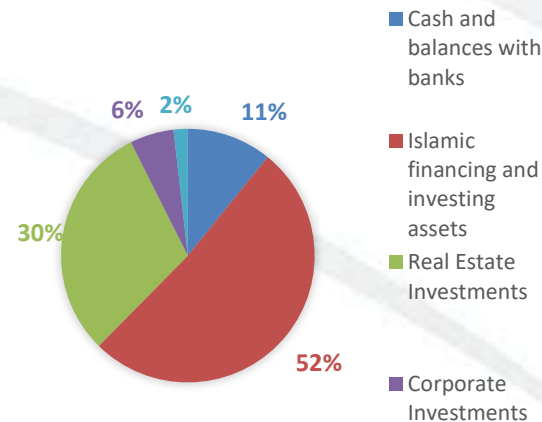
AED in Mn

Particulars	Q1 2021	YE 2020	Q1 2021 vs. YE 2020	
			Variance	Change in %
Cash and Balances with Banks	425	189	236	125%
Islamic Financing and Investing Assets	2,020	2,262	(242)	-11%
Real Estate Investments	1,184	1,252	(68)	-5%
Corporate Investments	219	215	4	2%
Other Assets	71	74	(3)	-4%
<b>Total Assets</b>	<b>3,919</b>	<b>3,992</b>	<b>(73)</b>	<b>-2%</b>
Investment Deposits and Other Islamic Financing	3,564	3,634	(70)	-2%
Other Liabilities (Incl Non-Controlling Interest)	110	113	(3)	-3%
Equity	245	245	-	0%
<b>Total Equity &amp; Liabilities</b>	<b>3,919</b>	<b>3,992</b>	<b>(73)</b>	<b>-2%</b>

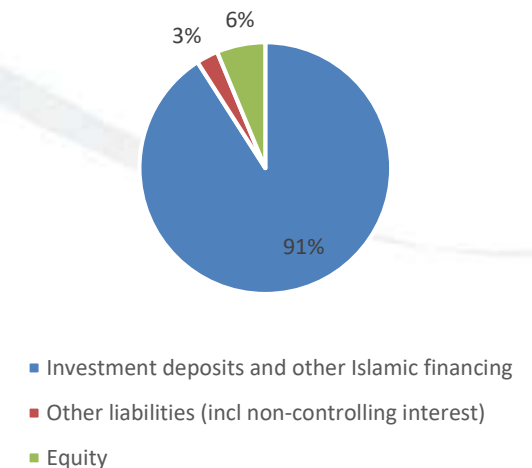
### Highlights

- Total assets of Amlak stand at AED 4 billion and total liabilities at AED 4 billion

#### Assets Mix – Q1 2021



#### Liability and Equity Mix – Q1 2021



## 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





Contact

# Investor Relations

Phone: +971 4 4274500

Web: <http://www.amlakfinance.com/en/investor-relations.html>

Email: [InvestorRelations@amlakfinance.com](mailto:InvestorRelations@amlakfinance.com)

P O Box: 2441, Dubai, United Arab Emirates