

Private Department
H.E. Skh Mohammed Bin Khalid Al Nahyan



Investor Presentation

April 2024



United Arab Emirates

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Business Update

- Company continues to deliver on its revenue and EBITDA growth, driven by:
 - Timely new asset deliveries
 - Strong occupancy rates
 - Well-managed operational costs
 - Robust real estate market conditions in Abu Dhabi supporting rental rates
- Well managed liquidity profile and covenant headroom
- Strong focus in the company's business strategy, execution, and investment plans, with a focus on existing portfolio and the strengthening of its balance sheet
- Continued strong commitment to S&P ratio requirements, including EBITDA interest coverage above 1.3x, or debt to EBITDA below 13x, which we will be able to comfortably achieve, having new assets to be completed during 2024 mid-year.
- Highly disciplined shareholder remuneration with no dividends during 2022 - 2026 and no meaningful acquisitions / investments from 2024 onwards
- Strong Improvements on ESG reflected in the company's new corporate governance implementations adopting anew policies and corporate governance structure.

Overview of the Private Department



- The Private Department of H.H. Sheikh Mohammed bin Khalid Al Nahyan LLC ("PD") was established in 1964 by the late Sheikh Khalid Bin Sultan Al Nahyan
- He was the nephew of H.H. Sheikh Zayed bin Sultan Al Nahyan, the founding father of the UAE. PD's Chairman H.H. Sheikh Mohamed Bin Khalid is the direct cousin of H.H. Sheikh Mohamed Bin Zayed, the current president of UAE
- 100% owned by 11 members of the Ruling Family of Abu Dhabi
- PD's mandate is to manage the revenue-generating operations – including the ownership, leasing, and sale of properties, as well as the management of its investment portfolio for the shareholders
- The PD's portfolio has grown from strength to strength and currently consists of:
 - Over 2,201 recurring income generating residential units – both tower block apartments and standalone villas
 - 47,002m² of commercial spaces – within the tower blocks
 - One operational hotel in Abu Dhabi, and One operational hotel in Dubai
 - One under construction tower block project in Abu Dhabi (expected completion July 2024)

Purpose

- A long-term owner of high quality and arguably the best located recurring income residential and hotel properties in Abu Dhabi
- Organically and inorganically build new properties and continue to be the landlord of choice for premium residential tenants in Abu Dhabi
- Follow a disciplined investment strategy that aims to generate stable returns over long term within established risk parameters

Mission

- **Acquire** fully leased properties with guaranteed income matching current portfolio yield
- **Construct** new real estate projects in key sectors
- **Develop** our properties to high levels of quality with innovative features attractive for premium tenants
- **Maintain** future focus on waterfront and central business district locations
- **Manage** our properties, with the support of qualified and professional team to give a high standard of services to our valued tenants
- **Achieve** customer satisfaction through our prompt and efficient service, which is our highest priority

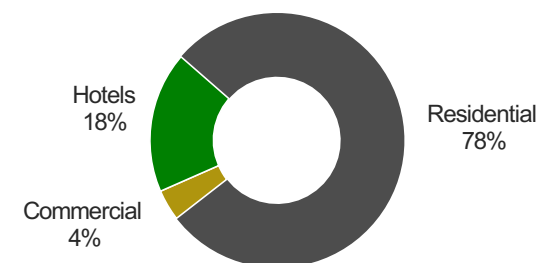
Vision

- To continue as the leading residential investor in Abu Dhabi and become one of the leaders in the Real Estate Investment Industry

Financial Highlights

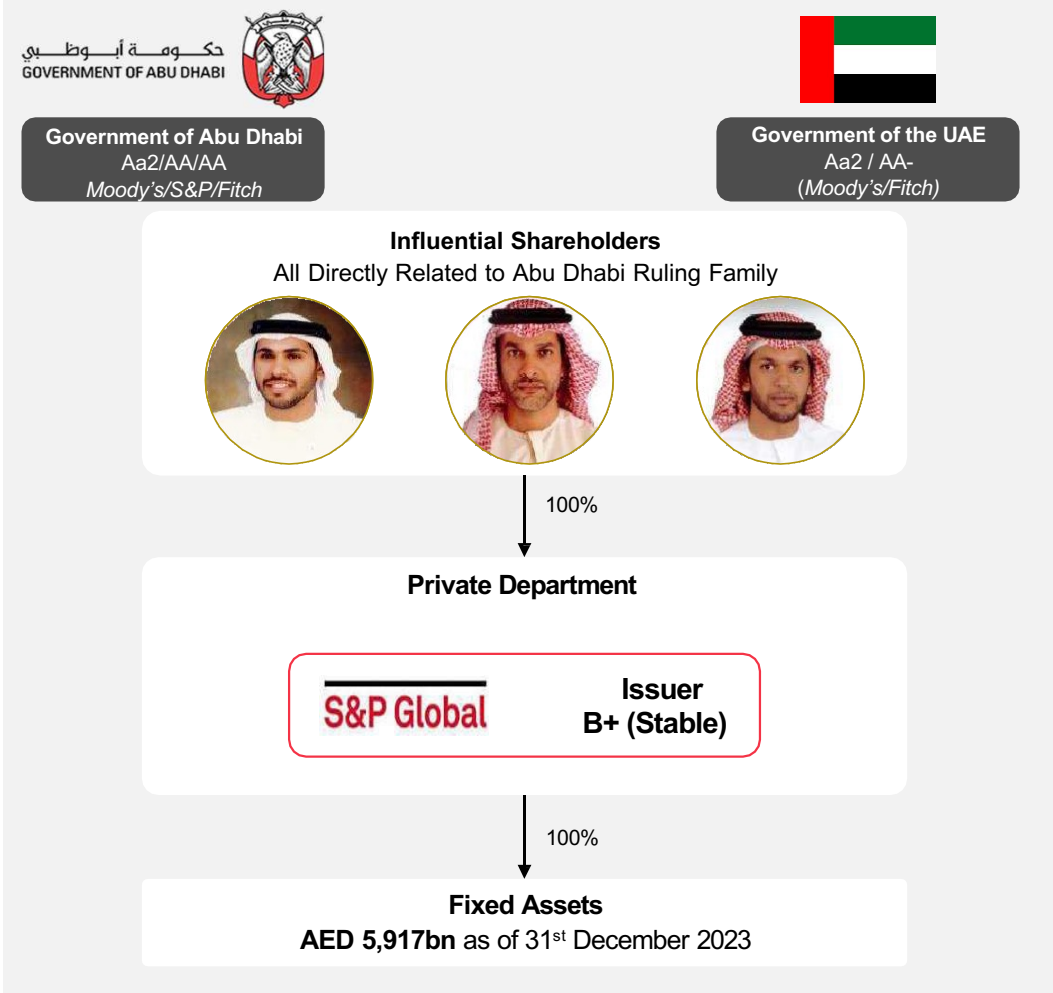
(AED mn)	2021	2022	2023	Q1 2024
Investment Properties	4,591	4,655	5,072	5,117
Total Assets	5,413	5,779	6,533	6,642
Long Term Debt	2,133	2,246	2,838	2,856
Short Term Debt	161	227	62	-nil-
Total Liabilities	2,502	2,659	3,065	
Equity	3,018	3,119	3,467	
Revenues	313	331	380	110
Adj. EBITDA ¹	199	198	254	75
Operating Profit	156	139	481	
Net Profit	118	85	324	

Revenue Split – 2022



¹ Adjusted EBITDA: Net profit + finance costs + depreciation - finance income from, profit for the year. In addition, + / - as appropriate, (a) unrealised loss or gain on revaluation of (i) investment properties and (ii) property and equipment and (b) change in the fair value of derivatives

Owned by Abu Dhabi Royal Family Members



Late H.H. Sheikh Mohammed Bin Khalid Al Nahyan

- **Founder of PD**
- **The nephew of H.H. Sheikh Zayed Bin Sultan Al Nahyan, the founding father of the UAE**

- Early 60s** | Representative of the Governor of Mount Dina
- 1966** | Vice-President of the Financial Department of Abu Dhabi
- 1968** | Member of the Planning Council
- 1969** | Head of Customs and Ports Department
- 1971** | Minister of Transport
- | Head of the Department of Management and Administration
- | President of the National Service Council

Board and Management Structure



Board of Directors



Sheikh Khalifa Bin Mohammed Bin Khalid Al Nahyan
Chairman

- Sheikh Khalifa Al Nahyan has been the Chairman of the Company since the death of his father, the previous chairman, in February 1997
- Sheikh Khalifa holds a degree from the College of Political and Administrative Sciences at the UAE University
- Other positions currently held by him include Chairman of Wajib Volunteer Association since 2018, Honorary Chairman of the Board of Jordanian Businessmen since 2018, Honorary President of the Yas Theatre Association since 2019 and Honorary Member of the Emirates Safe Internet Association since 2019



Sheikh Sultan Bin Mohammed Bin Khalid Al Nahyan
Vice Chairman

- Sheikh Sultan Al Nahyan has been Vice Chairman of the Company since February 1997
- Sheikh Sultan holds a Bachelor's degree in Business Administration from the Webster University Regent's College in the UK
- Other positions currently held by him include owner of Bonanza Elevators Corporation and Chairman of Aafaq Islamic Finance Company



Sheikh Hamdan Bin Mohammed Bin Khalid Al Nahyan
Second Vice Chairman

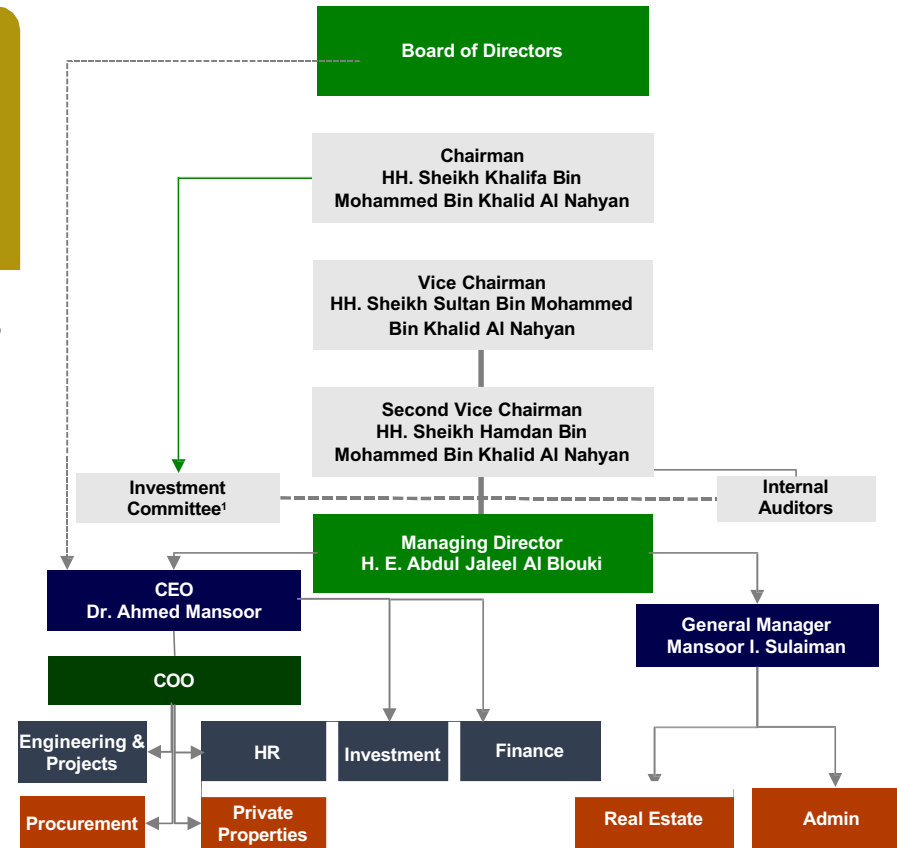
- Sheikh Hamdan Al Nahyan has been Second Vice Chairman of the Company since February 1997
- Sheikh Hamdan holds a Bachelor's degree in Business Administration from the Webster University Regent's College in the UK



H.E. Abdul Jaleel Abdul Rahman Mohd. Al Blouki
Managing Director

- H.E. Abdul Jabeel Al Blouki has been the Managing Director of the Company since 1997
- He is a qualified director with more than 45 years' experience in senior managerial positions and directorships in a diversified range of companies in the UAE and internationally operating in a wide range of fields including trading, services, real estate, industrial, contracting, hotels and hotel management, food and beverage, farming, trading, forest management, healthcare and oil and gas
- He was also Undersecretary of Conservation for The Private Affairs of the President of the UAE, the late Sheikh Khalifa Bin Zayed Al Nahyan, since 1998
- Other positions currently held by H.E. Abdul Jabeel Al Blouki include:
 - Managing Director of Mawarid Holding Investment L.L.C
 - Chairman of Emirates Business Group, Emirates International Group for Food and Agriculture L.L.C., Barari Natural Forest Management, IMCC Investment L.L.C., Albustan Farms Limited, United Business Investments LCC

Corporate and Management Structure



PD Aims to Adhere to the Highest ESG Standards



Corporate Governance Overview

- Internal compliance & audit reports directly to Board. Investment Committee reports directly to Chairman of the Board and Risk Committee has independent members. All Remuneration is recommended by CEO with Board approval
- Long-term policy to ensure Arms-length dealing with shareholders using independent arbitrators for contracts and professional advisors when conflicts arise
- PD financial policy includes target leverage of less than 50% loan to asset value, minimum 2.0x EBITDA interest coverage. Our dividend policy is set at 70% of net income, up to a maximum of AED 130 million per year, starting from 2027, **with 5 years at ZERO dividends starting from 2022**
- Our development and investment policies are conservative and primarily aimed at developing to hold and rent, rather than development for sale, which is more speculative than PD policy allows

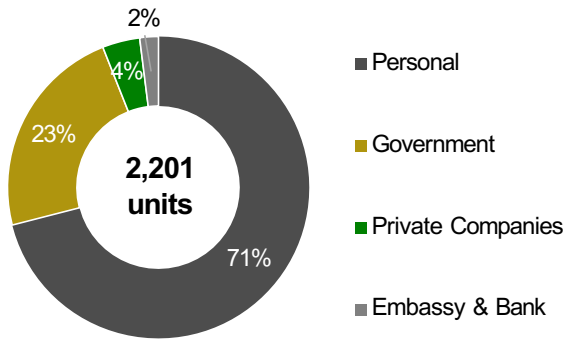
Environmental & Social Overview

- The Private Department is compliant with all UAE Environmental & Social requirements
- Sustainability policies include extensive reduce, re-use, recycle practices in our hotels – particularly impacting on plastics waste and reduce water use
- Enhanced sealing and glazing is being introduced through both new construction and maintenance in properties to help reduce our environment impact and electricity usage
- Our property management policies include a community focus for our tenants and staff
- New developments will look toward best energy and environmental design concepts including vertical gardens, heat pumps and insulation designs to create efficient and sustainable buildings for our future

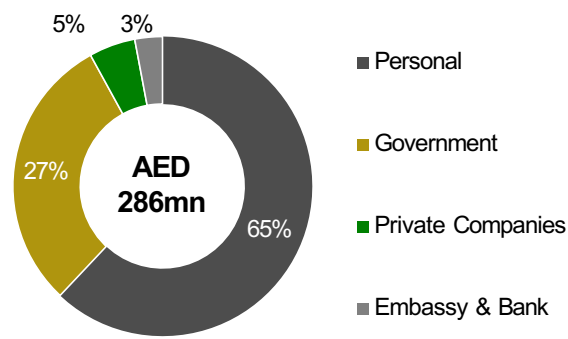
Recurring Revenue Portfolio – Residential and Commercial



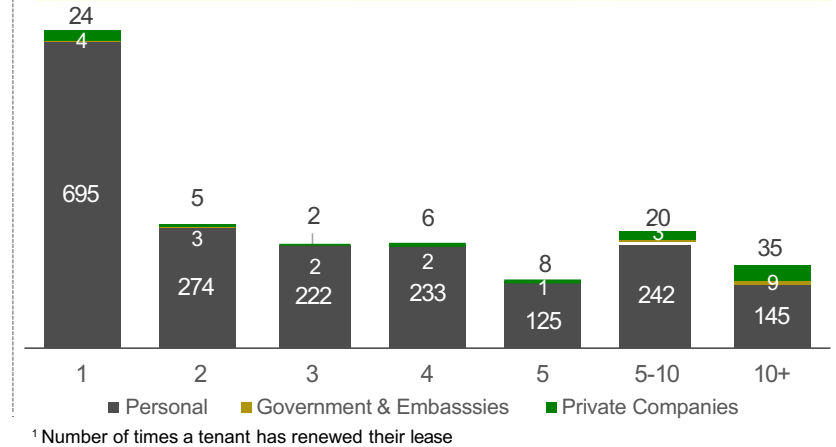
Tenants Type – YE2023



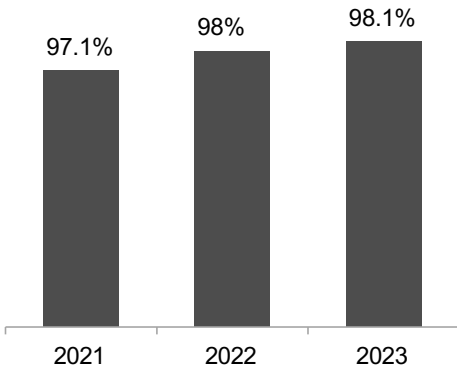
Tenant Type by Revenue – 2023



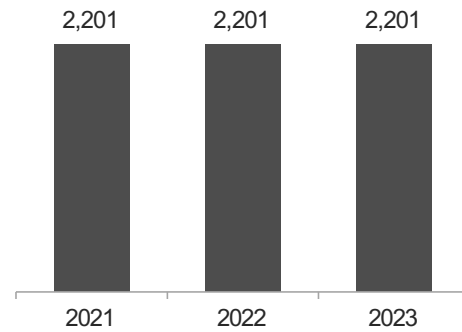
Tenants Ageing Profile – YE2023



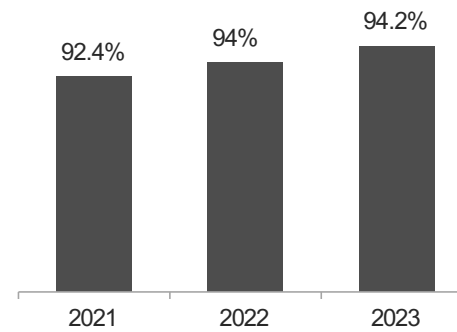
Residential Occupancy



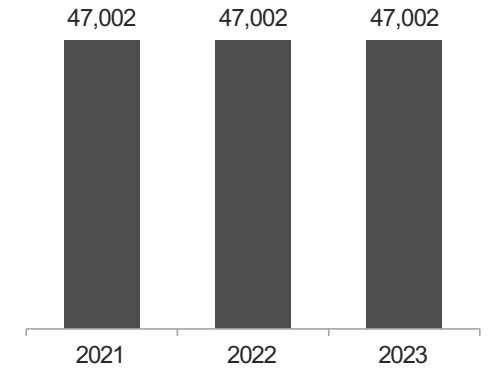
Residential Units



Commercial Occupancy



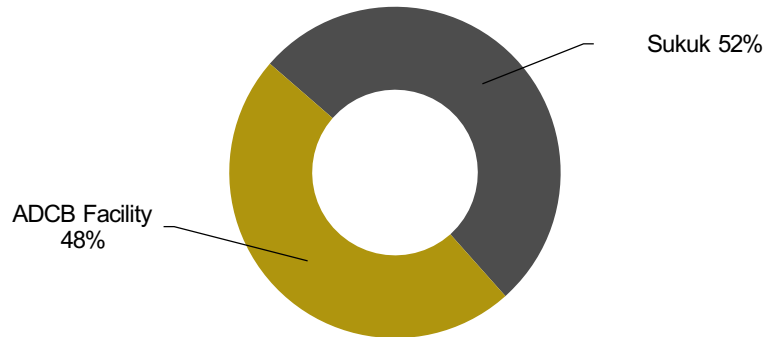
Commercial Area (m²)



Debt & Liquidity Details



2022 – Debt Breakdown by Type



Debt Maturity Profile

- The company successfully issued a Sukuk in 2022 followed by a tap in Dec'22 - its first unsecured debt with 3 years maturity
- PD could achieve excellent maturity terms while restructuring existing Secured Debt with ADCB
 - This could stretch the debt maturity to present a better outlook for 10 years tenor including 3 years holiday of repayment & 60% balloon on maturity

Debt Composition

- The company has existing Secured debt of AED 1.3bn with ADCB which represents 48% of its total debt
- The Company holds existing Unsecured Debt of Sukuk instruments of AED 1.28bn plus RCF of AED 160m. which represents 52% of its total debt

Average Cost of Debt

- Average cost of debt stands on UAE EBOR + 2.5% margin under ADCB facility and 8.75% under the Sukuk

Maturity Profile

- **ADCB:** Debt maturity is for 10 years, including 3 years grace period
- **Sukuk:** 3 years maturity
- As of March 2024, there is no short term debt on the PD's balance sheet

Liquidity

- The Company shows a strong liquidity position which is enough to sustain its business performance & meet its financial obligations

Debt Covenants

- PD has adequate headroom on its financial covenance, which should help maintain the company's stability in meeting the financial covenants and obligations over the coming 3 years with no expectation of any breach
- PD is improving its overall business and financial performance to ensure maintaining its stability and growth that will enable the company to service its financial covenants with no breach over the coming 3 years despite market challenges and high funding cost

Business Plan Assumptions

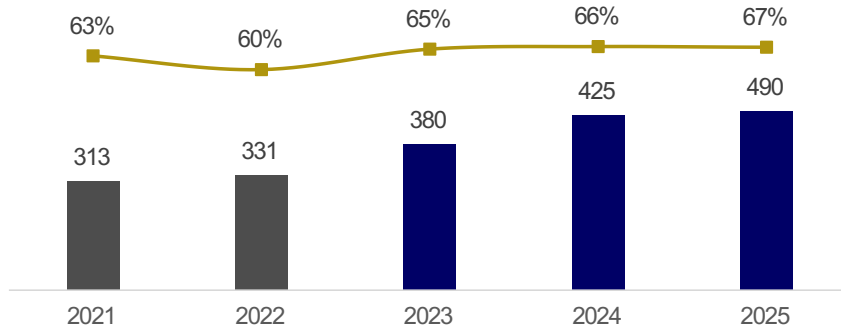


Rental Income	<ul style="list-style-type: none"> The company has shown its strong capabilities in maintaining the highest occupancy rates in the market at 98% for the Third consecutive year with average rent that matches the market rates The company expects to declare income growth in 2024 & 2025 respectively, mainly driven by the delivery of the under construction projects & the rental increase over the available portfolio
Profitability	<ul style="list-style-type: none"> The company generates its overall income from its real estate leasing portfolio. Supported by successfully completion of its under construction projects, PD is expected to see 15% EBITDA growth in 2024 & 30% in 2025 In time the company achieved a greater than expected growth in its operating EBITDA in 2023 by 28%
Capex & Disposals	<ul style="list-style-type: none"> Capex Commitment: PD is committed to maintain a committed capex that is sufficient to cover its annual maintenance services on the asset portfolio while expansion capex is discretionary subject to company's business strategy Asset Revaluation: PD is committed to meeting the international standards which requires to annually reevaluate its asset portfolio every financial year. Such revaluation is adopted by independent third party approved listed asset valuation firm
Working Capital	<ul style="list-style-type: none"> Working Capital for 2023 was AED 284 mn. This was used to cover the interest payments of AED 220mn, direct costs of AED 29mn and general costs of operations AED 35mn In 2024 the company anticipates a working capital requirements of AED 270mn. That is needed to cover the interest payments of AED 210mn, direct costs of AED 28mn as well as general costs for operations AED 32mn Decrease in working Capital Budget mainly driven by the Expected Decrease in the funding cost by the potential Rates cut policy adopted by the Fed. In the Second half of 2024 And followed by the central banks. Besides, the reduction in the direct cost and total operating cost.
Debt	<ul style="list-style-type: none"> The company has existing Secured debt of AED 1.3bn with ADCB which represents 48% of its total debt The Company holds existing Unsecure debt of Sukuk instruments of AED 1.28bn, plus RCF of AED 160m. which represents 52% of its total debt There is no short term debt as of the Q1 2024 period end

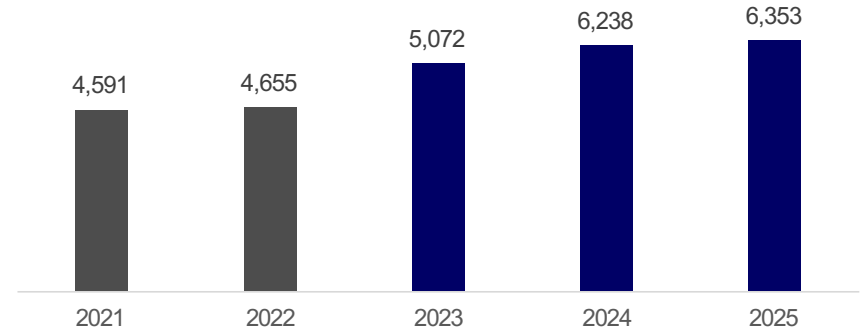
Key Performance & Financial Indicators



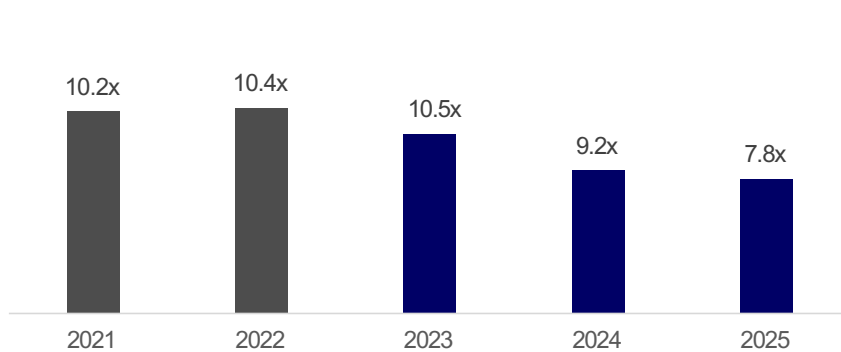
Revenue (AED mn) & EBITDA Margins (%)



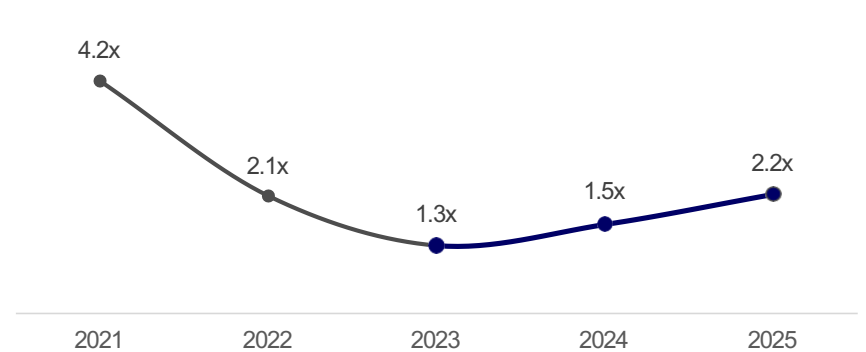
Investment Property (AED mn)



Net Debt / EBITDA (x)



EBITDA / Gross Interest (x)



Project Under Construction: Waterfront Towers



Construction over 92% complete

Expected Date 2024

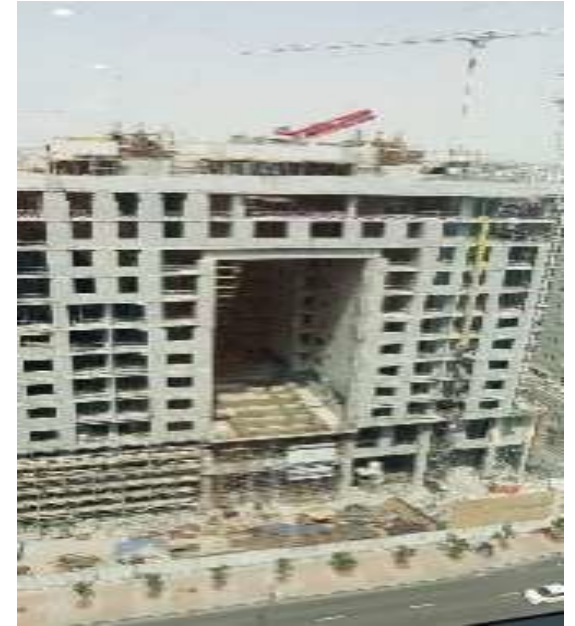
Covering Area 10,480m²

Waterfront Tower A	7 Floors – 67 Units
Waterfront Tower B	15 Floors – 112 Units
Waterfront Tower C	15 Floors – 112 Units

Total Units	291 Residential Units + 20 Commercial
Type of units	1 BR: 70
	2 BR: 142
	3 BR: 77
	4 BR: 2

Significant cash contributor; >AED 55mn annual rental expected hand over date July 2024

Khalidia Palace Hotel, Dubai



100% Completed

In Operation January 2024

1. Introduction

2. Business Overview

3. Strategic Overview

4. Financial Overview

Appendix