

# Investalk 2017 Q2

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## UNBREAKABLE LEGACY



**EMIRATES GLASS LLC MARKS 20 YEARS OF EXCELLENCE IN GLASS  
SECTOR IN THE UAE AND REGION**



دبي للاستثمار  
DUBAI INVESTMENTS



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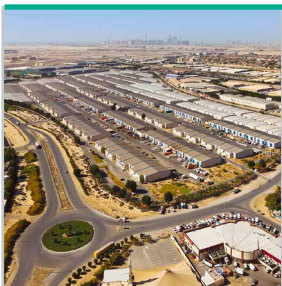
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## THE INSIDE VIEW

Dubai Investments is one of the leading players in the UAE real estate and property domain. With its creative and pioneering approach, the Company not only conceptualized and developed mixed-use mega projects over the years but also created unique ventures that set new benchmarks in innovation, excellence and quality. Close on the heels of this success and the burgeoning trends in the UAE's real estate sector, the Company is set to take gigantic steps towards building its leadership in the domain by further building on its footprint through its five real estate subsidiaries. By way of this, Dubai Investments will not only benefit from the market dynamism but also meet the overall growth objectives by capitalizing on the strong fundamentals and diverse project portfolio.

With nearly 62% of its assets in real estate & property business, Dubai Investments generates approximately 47% of its total income from the sector. This is all set for a major surge, with investments worth over AED 8 billion in projects in the ensuing three years comprising a host of under-construction and new developments across various parts of the UAE. These include the Mirdif Hills mixed-use development by Dubai Investments Real Estate Company, Fujairah Business Centre project by Al Taif Investment, Green Community DIP Phase III by Properties Investment, new projects within Dubai Investments Park, mixed-use tower on Sheikh Zayed Road and



infrastructure development for The Palisades project in DIP.

Amidst these iconic developments, Dubai Investments will continue to deliver projects that meet the needs and aspirations of future generations. The Company also aims to increase the total annual revenue from its real estate and property business from approximately AED 900 million in 2016 to over AED 1.3 billion in the next three years. With a clearly defined future growth strategy, accentuated by surging trends in the real estate sector, Dubai Investments is set to play a bigger role in the sphere in the years to come.

**Khalid Bin Kalban**  
**Managing Director and Chief Executive Officer**

## COVER STORY



# UNBREAKABLE LEGACY

## Emirates Glass LLC marks 20 years of excellence in glass sector in the UAE and region

Twenty years is a notable achievement for any company and Emirates Glass LLC has come a long way since it was established by Dubai Investments two decades ago – a journey that has proved the sceptics wrong, growing from a vision to reality, from an idea on paper to a blueprint for success!

Over the last 20 years, the growth of Emirates Glass has mirrored the evolution of Dubai Investments at a time when Dubai and the UAE were building a sustainable macro-economy away from the dependence on oil, with increased focus on the manufacturing sector.

Set up to cater to the rapid growth of the construction industry and the demands of the real estate boom in the UAE & region, the growth of Emirates Glass is nothing but phenomenal, charting one of the success stories in the regional manufacturing and industrial sector.

Emirates Glass was one of the first concepts by Dubai Investments 20 years back – and that too in a totally new sector, which speaks volumes about the vision behind the initiative. Today, Emirates Glass is one of the largest processors of flat architectural glass in the region and a well-recognized glass brand not only in the UAE but across the Middle East and beyond.

From its humble beginnings, Emirates Glass currently operates a 60,000 square metres production facility in Al Quoz industrial area and a 32,825 square metres post-temperable glass coating line in Dubai Investments Park [DIP] since 2010.

Khalid Bin Kalban, Chairman of Emirates Glass & Managing Director and CEO of Dubai Investments, said: “The success of Emirates Glass is not just about tier-upon-tier of achievements but about how a company has challenged the norms and set new benchmarks of excellence. Great feats begin not with great plans, but with great dreams. Dubai Investments saw the potential to build a world-class company in the glass sector with Emirates Glass. This decision was in line with the government’s efforts to attain economic diversification and increase the industrial sector’s contribution to the GDP which stood at just 4% then.”

Emirates Glass is testimony to the fact that success is benchmarked by an organization’s ability to change and evolve. “Along the journey, Emirates Glass continued to chart its success with the evolution of Dubai and the UAE. The company is part of history, with its glass used in several iconic buildings and structures which were constructed during the UAE’s development phase,” added Kalban.

The company has also consistently explored opportunities to stretch the boundaries of what’s possible by continuously improving its production, products and processes in line with customers’ needs. “As a UAE company, deeply rooted in the overall ambitions of the UAE – Dubai Investments spearheaded the growth of Emirates Glass beyond the national shores and taking the ‘Made in UAE’ brand and products to the international marketplace. The company thus redefined its vision to transform into a vibrant engine

of sustainable growth with substantial contribution to the UAE's economy," said Kalban.

Emirates Glass has emerged as one of the leading providers of energy-efficient architectural glass in Middle East, with a rapidly growing market – from the UK, mainland Europe, Russia and Singapore. Nearly 30% glass from the 1.4 million square metres coated glass annually manufactured at Emirates Glass is exported. These include Pakistan, Azerbaijan, Bangladesh, Kenya, South Africa, Canada and Kazakhstan.

With a clearly-defined strategy, the ISO 9001:2000 certified Emirates Glass has evolved from a manufacturing unit with a six-cathode coating line, a loading bed of 2440mm x 3600mm and an annual coating capacity of 750,000 square metres of sputter-coated glass, to a 20-cathode line, a loading bed of 3000mm x 6000mm and an annual capacity of 3,500,000 square metres of MSVD sputter-coated glass.

To meet the challenges of a rapidly growing market, Emirates Glass also increased its capacity in glass tempering, double glazing and cutting processes, thus

catering to the demand for highly complex glass types, now commonly used at airports, shopping centres and hotels.

At the heart of this is the high performance glass under EmiCool range, designed to minimize solar heat gain into air-conditioned buildings, particularly in the Gulf region. Over 60% of Dubai is currently glazed with EmiCool energy saving glass products. The product range includes EmiCool Classic, EmiCool Sun, Emicool Plus and other spectrally selective products.

Combining excellent qualities of light transmission, solar control and thermal insulation, Emirates Glass is the region's first choice for top performance and excellent products. The combination of continuing innovation, commitment to excellence, with an outstanding team, holds the promise of a bright, glossy future for Emirates Glass in the years to come!

Having created new benchmarks in the business, Emirates Glass is moving ahead on its 20th anniversary, with renewed vigour and focused expansion on products & markets to continue its growth trajectory in the years to come.

## KEY DATA

Year of Establishment	1998
Emirates Glass' new coating line in DIP	2010
Total area of Al Quoz plant [square metres]	60,000
Total area of DIP coating line [square metres]	32,825

## SOME RECENT PROJECTS FOR EMIRATES GLASS

Project Name	Month-Year of completion
Viceroy Hotel	March 2017
Meraas HQ	April 2016
Dubai Design District	November 2014
Conrad Hotel	May 2015
Al Zahra Hospital	September 2015
Etisalat Tower	August 2006
Akoya Villas	April 2017
Dubai Airport T3	April 2008
Akoya G+7 Buildings	February 2017

## INTERVIEW

## Naser Al Nabulsi, CEO of Al Mal Capital PSC

# Turning investments ideas into reality

Al Mal Capital, established in 2005, is a diversified, multi-line investment institution offering a wide range of investment products. The company has consistently won leading industry awards in recognition of its strong client-centric approach and service offerings. These include the Middle East, North Africa & Asia Awards [MENAA] Customer Delight Award and MENAA Best Business Leader Award in 2016 among others. In an interview with INVESTALK, the Vice-Chairman and CEO of Al Mal Capital, NASER AL NABULSI, speaks about the company's growth, trends and future prospects. Excerpts:

### How has Al Mal Capital sustained its growth journey in the last 12 years?

Al Mal Capital was founded in 2005 to meet the growing needs of the investor community. With a thorough understanding of clients' needs, a dedication to shared goals and an ability to remain agile, Al Mal Capital has not only managed to sustain its growth, but also expand its offerings, product lines and geographical reach in the last 12 years.

With a strong commitment to diversify its assets under management and reinforcing its strong reputation and trust, Al Mal Capital continued its growth strategy even amidst a challenging economic climate. With Dubai Investments acquiring a majority stake in the company in 2015, Al Mal Capital received the impetus to reinforce its leadership, driven by a philosophy which makes it unique – a passionate, knowledgeable and enthusiastic team with one goal – to grow with its clients.

### Please shed light on the company's key business verticals and approach in an evolving business climate?

At Al Mal Capital, we are driven by ideas. Through technical knowledge and understanding to execution, we turn investment ideas into reality.



Naser Al Nabulsi, CEO of Al Mal Capital PSC

Managing market conditions, portfolio expectations & risks. Talking about our key business verticals, these include:

**Corporate Advisory:** Al Mal Capital Corporate Advisory offers a wide range of informed advisory services – including the execution of mergers & acquisitions, equity capital market, debt capital markets, besides family office solutions.

**Investment Management:** Al Mal Capital offers a range of conventional or Sharia-compliant funds [including in-house funds, portfolio management and wealth management], and access to international markets through its Capital Markets investment platform. The aim is to support diversification of asset allocation.

**Direct Investments:** A rather new division, launched in 2016, we emphasis on international and regional real estate and mid-sized businesses in the GCC. Our approach centres on proprietary deal flow, due diligence and aligning our interests with partners and management teams.

**Capital Markets:** Al Mal Capital provides clients with a premium capital market platform supporting the execution of trades on equities, IPOs, bonds & Sukuks and derivatives across the globe. The company has helped raise over AED 34 billion through local and international IPOs; and offers unmatched versatility through its capital markets offerings.

### What are the current trends in vogue in the financial investments environment?

The financial services sector, especially in the Middle East, is going through a massive overhaul. With demographic tilt towards a youthful population, who are more demanding; and ever-increasing diversity in financial products and services; and increased regulatory requirements for better monitoring of processes and developing secure financial systems, these are interesting growth phases for the financial services sector.

The role of the financial sector in promoting growth cannot be understated, financial institutions are at the core of the capital intermediary role, whether debt or equity. It is paramount that for the growth to be sustained, a growing liquid and active equity and debt markets comes to further fruition. This in turn will help promote efficiency in allocating investments, and contribute to the productivity growth through improved risk management, corporate governance and thus alleviating the adverse effects of financial tremors.

### **How does Al Mal Capital eye the future emerging opportunities in the sector?**

As mentioned earlier, the growth in the Middle East has picked up strongly following the financial turbulence, driven to a large extent by growth in the Gulf Cooperation Council countries. The UAE and other countries in the region have launched development plans (e.g., Abu Dhabi Vision 2030, UAE Vision 2021) to develop other sectors such as aviation, tourism, transportation, and financial services.

Oil revenues have allowed the countries in the region to invest heavily in infrastructure projects that today form a solid base for the development of a more diversified economy. The recent fall in oil prices could challenge near-term growth and investments, but long-term perspectives remain favorable, as we transition into technological advancement and innovation. Al Mal, with its strong capabilities, see tremendous growth potential in the sphere. In particular, our Direct Investments division is targeting an investment platform to capture unicorn companies that are leaders in the technological space globally.

### **How do you analyse the challenges and risks, especially in the region?**

One cannot look at the whole region as one basket

because risk and return dynamics are vastly different. We see a concentration of revenue and investments in the region. It is only prudent for regional corporates and family offices to consider diversification in their asset allocation, both across asset classes (liquid and illiquid) and across geographies (regional versus international). We are seeing great opportunities in some countries in the region, similarly US and European markets have been in an upward trend, presenting their own opportunities for growth.

### **In conclusion, how do you see the future for Al Mal Capital and the industry, as a whole?**

We remain upbeat on the prospects – particularly across the Middle East focusing on yield plays. Internationally the upbeat is on growth versus yield. While there remains many sceptics on Middle East equities, we believe that there are many reasons to be cheerful on the regional equities in the longer run. These are further accentuated by easier access to international credit markets, the nascent GCC Real Estate Investment Trusts market and the upcoming inclusion of Saudi Arabia and other markets in the MSCI Emerging Markets index should be seen as strong tailwinds for Middle East equities, other than the valuations remaining compelling vis-à-vis international counterparts.

From a more global perspective, we continue to believe that despite demanding valuations and a challenging geopolitical context, investment opportunities are plentiful. We encourage our investors to review their asset allocation with one of Al Mal's advisors. In this process investors will recap their short and long term objectives, and then we work backwards to devise their asset allocation in order to achieve their desired financial goals in light of the risks inherent in each asset class.

In a nutshell, Al Mal Capital is confidently moving ahead with a core ambition – to become The Merchant Bank of the region, with a strong commitment to achieving client's financial goals.



## UAE NEWS



### New decision issued on mergers, acquisitions of joint stock companies

A new decision concerning the regulations of mergers and acquisitions of UAE-based joint stock companies has been issued by Sultan bin Saeed Al Mansouri, UAE Minister of Economy, and Board Chairman of the Securities and Commodities Authority [SCA].

The decision, which will be effective as of the day following its publishing with the Official Gazette, includes three chapters comprising 61 articles dedicated to acquisition general rules and conditions, different definitions of mergers and takeovers, surveillance procedures, and control, inspection and penalties.

As part of its mission to ensure a well-developed investment-conducive and resilient financial system, SCA has issued a number of decisions and launched



new systems, and modified others to ensure more market resilience, optimize performance and upgrade services in line with its endeavours to develop its organizational infrastructure, legislative environment and surveillance system as well as its institutional support services, which have helped capital markets ensure more resilience and agility to enhance services and boost competitiveness.

- Wam

### Dubai emerges as one of top 10 destinations for international meetings

Dubai has emerged as one of the top 10 destinations for international meetings, according to the latest edition of the International Meetings Statistics Report published last week by the Union of International Associations [UIA].

The report ranked 1,157 cities globally based on the total number of international meetings that took place during the year. Previously ranked 14th in the 2015 edition, Dubai has moved up the list to claim the 10th spot with a total of 180 meetings taking place in 2016, reflecting a growth of 24 per cent in comparison to 2015.



Dubai is the only city in Middle East and Africa to appear in the top 25 in the rankings, further underlining its status as the region's number one destination for international meetings and conferences.

- Wam

## UAE among top 12 countries for FDI

The Foreign Direct Investment [FDI] inflows into the UAE grew by 2.2% in 2016 to US\$9 billion from \$8.8 billion in 2015, according to the World Investment Report 2017 released by UN Conference on Trade and Development [UNCTAD]. The UAE is ranked 12th on the list of top countries for FDI for the period from 2017 through 2019, Sultan bin Saeed Al Mansouri, UAE Minister of Economy, has revealed.

"The country is developing well thought-out strategies in line with the National Agenda of the UAE Vision 2021 by aligning efforts and ensuring synergies across all sectors at the federal and local levels in alignment with the directives of our wise leadership," the minister added.

FDI is considered a key enabler for sustainable economic growth on account of its significant role in ensuring cash inflows for mega-sized developmental projects and despite the decline in global FDI rates in



2016 comparatively with 2015, the foreign investment inflows to the country, according to the report, increased by 2.2% to \$9 billion, he added.

He expected more FDIs to the country over the coming five years as a direct result of the mega projects launched in areas of renewable energy and retail industries, adding that the cumulative FDIs to the UAE jumped to \$117.9 billion by the end of 2016 from \$109 billion by the end of 2015, a growth of 8.2% supported by increasing investments in areas of transformational and other heavy industries, including aluminum and petrochemicals, in addition to other sectors, like tourism and aviation.

- Wam

## Dubai medical tourism revenues hit AED1.4 billion

Medical tourism in Dubai yielded returns of around AED1.421 billion in 2016 against AED1.40 billion in 2015, with the number of incoming wellness tourist arrivals amounting to 326,640 in 2016, a 9.5 per cent growth over the previous year, according to Dubai Health Authority [DHA].

The much-coveted potential boasted by Dubai, particularly at the medical level, has rendered the Emirate a sought-after destination for recuperative tourism, Dr Layla Al Marzouqi, Director of the DHA Medical Tourism Council, said.

Ages of wellness tourists who visited medical facilities in Dubai from outside the country ranged from 25 to 45 years, she said, noting that the medical specialties that were in heavy demand were orthopedics, dermatology and ophthalmology, with 27 per cent of the tourists are Asians, 31 per cent Arabs and 15 per cent Europeans.

- Wam



## Business conditions continue to improve, says survey

There was a further improvement in the health of the UAE's non-oil private sector during May, with growth underpinned by rises in output and new orders. Although rates of expansion eased in both cases, they remained sharp. After a seven-month sequence of inflation, the non-oil private sector faced lower input costs, according to Emirates NBD UAE Purchasing Managers' Index [PMI].

The headline seasonally adjusted Emirates NBD UAE

PMI – a composite indicator designed to give an accurate overview of operating conditions in the non-oil private sector economy – edged down from 56.1 in April to 54.3 in May. Though the latest reading eased to a six-month low, it signaled a robust rate of expansion of the non-oil private sector. Notably, the latest figure was broadly in line with the long-run average.

New business inflows rose sharply in May, despite the rate of growth easing to a five-month low.

- Wam



## GROWTH



## Dubai Investments assets in manufacturing grows to AED 3.05 billion

Dubai Investments has achieved consistent growth in its manufacturing business with total assets in the sector increasing to AED 3.05 billion, constituting 19% of the company's total assets worth AED 16.11 billion as on December 31, 2016.

The company's manufacturing business continues to play a major role in the growth of the manufacturing and industrial sector across the UAE, with strong contribution from its subsidiaries – particularly in the processing industries segment to the country's non-oil Gross Domestic Product [GDP]. The total income from Dubai Investments manufacturing activity grew to AED 1.57 billion in 2016, a 15% increase compared to AED 1.36 billion in 2015.

The manufacturing companies of Dubai Investments took centre stage at the Manufacturing Expo 2017 in March, held in conjunction with the inaugural Global Manufacturing & Industrial Summit [GMIS] at the Paris Sorbonne University in Abu Dhabi, and co-hosted by UAE Government and the United Nations Industrial Development Organisation [UNIDO].

Khalid Bin Kalban, Managing Director and CEO of Dubai Investments, said: "The manufacturing business, one of the core focus areas for Dubai Investments, has witnessed a strong growth thrust, particularly in the building materials, aluminium and steel sectors. As one of the pioneers in manufacturing sector in the UAE since the late-1990s, Dubai Investments has made significant

contribution to the country's non-oil Gross Domestic Product [GDP]. The company has also prioritized some industries earmarked in the UAE Vision 2021 and Dubai Industrial Strategy, and these form the main pillars of its sustainable growth plans."

He added: "Dubai Investments wants to reinforce its commitment to the manufacturing sector through a strong pipeline of projects in the future – which is endorsed in its strong participation at the Global Manufacturing and Industrial Summit in Abu Dhabi. The Summit is a testament to UAE's growing role in developing a global, knowledge-based economy, which invests in global value chains and enabling a sustainable future for generations to come."

The Summit was organized amidst a strong focus on manufacturing sector, with the UAE Ministry of Economy announcing that the country is targeting increasing the GDP share of the manufacturing sector from the current 11 per cent to 20 per cent by 2021 and 25 per cent by 2025.

Dubai Investments has 17 companies in the manufacturing domain, including Emirates Glass, Lumiglass Industries, Emirates Float Glass, Saudi American Glass, Emirates Insolaire, LABTEC, White Aluminium Extrusion, Emirates Extrusion Factory, Folcra Beach Industrial Company, Gulf Dynamic Switchgear, Gulf Metal Craft, Dubai Cranes, Edible Oil Company, Emirates Building Systems, Emirates Extruded Polystyrene, Globalpharma – A Sanofi Company and Lite-Tech Industries.

## اجتماع الجمعية العمومية السنوي الواحد والعشرون The Twenty First Annual General Meeting



## Dubai Investments distributes 12% cash dividend and 5% bonus shares

Dubai Investments decided to distribute 12% cash dividend and 5% bonus shares to the shareholders for the financial year ending December 31, 2016. A proposal to this effect was approved by shareholders at the company's 21st Annual General Meeting [AGM] on April 10.

The company's shareholders also approved all other resolutions presented by Dubai Investments Board of Directors. The Company also presented its 2016 financial results, which revealed a net profit of AED 1.22 billion for 2016, an increase of 10% compared to 2015. Total assets of Dubai Investments increased by AED 861 million to touch AED 16.1 billion as of December 31, 2016.

Dubai Investments' Board of Directors was also reconstituted for a term of three years – with Board members increasing to seven from the previous five. The new Board comprises Sohail Faris Ghanim Al Mazrui, Hussain Mahyoob Sultan Al Junaidy, Ali Fardan Ali Al Fardan, Mohamed Saif Darwish Al Ketbi, Khalid Bin Kalban, H.E. Abdulrahman Ghanem Abdulrahman Al Mutaiwee and Khaled Mohammad Ali Al Kamda.

At the AGM, Hussain Mahyoob Sultan Al Junaidy, Vice-Chairman of the Board of Directors of Dubai

Investments PJSC, read out the Chairman's Report, highlighting the company's growth. The report said: "During 2016, Dubai Investments registered improved performance across all three sectors of its operations – i.e. property, manufacturing & contracting and financial investments. The diversity of businesses, coupled with long-term nature of the underlying contracts, helped the Company in sustaining growth in a challenging business environment."

Property accounts for approximately 62% of Dubai Investments' total assets and contributes 50% of the revenue while manufacturing & contracting accounts for 19% of the company's total assets and contributes 48.5% of its revenue whereas financial investments represent approximately 19% of the Dubai Investments' total assets.

Elaborating on the future prospects, the report said: "During 2017, the company will continue its execution of real estate projects and exploring new investment opportunities, primarily in the education and healthcare sectors. At the same time, Dubai Investments will be looking at opportunities for exits from existing businesses and assets."

## GROWTH

## Dubai Investments records net profit of AED 289 million in Q1 2017

Dubai Investments has announced net profit of AED 289 million in the first quarter of 2017, compared to AED 298 million for the same period last year.

Total income for the period was AED 697 million as compared to AED 715 million in Q1 2016. Total assets rose to AED 16.76 billion, compared to AED 16.11 billion as at December 31, 2016; while net worth grew to AED 11.65 billion as at March 31, 2017, compared to AED 11.36 billion as at December 31, 2016.

The annualized return on equity achieved for the period was 9.9%.

Khalid Bin Kalban, Managing Director and Chief Executive Officer of Dubai Investments, said: "In Q1 2016, Dubai Investments reported a gain of AED 187



million on exits from subsidiaries – Marmum Dairy Farm LLC and its distribution arm United Sales Partners LLC. Excluding this one-off item, the net profit for Q1 2017 has increased by AED 178 million. This has been driven by growth in rental income which has contributed to increase in underlying cash flows of investment properties, thereby, resulting in gain on fair valuation."

Kalban added: "The Company's outlook for the remaining of 2017 is positive with various real estate developments in the pipeline. The Company is in the process of finalizing its participation in infrastructure development similar to Dubai Investments Park in Riyadh – KSA and is also evaluating proposals for similar opportunities being offered in Africa."

## GROWTH



## Emirates Glass achieves strong results in 2016, wins AED 110 million projects in region

Emirates Glass LLC has announced that it has achieved strong results in 2016 compared to 2015 with profits exceeding all previous records, reinforcing its growing reputation and market share in the region.

Emirates Glass also announced that it currently has projects worth AED 110 million on hand, and is executing more than AED 60 million worth of contracts in GCC countries alone.

As a step to achieve the projected growth trajectory, Emirates Glass has announced the launch of five new coatings, including Emicool

Superlite Temperable High Performance Coatings, with plans to unveil super low thermal transmission glass products as well as a new insulating glass manufacturing facility in the Gulf. This is part of Emirates Glass' commitment to produce high performance, eco-friendly glass which significantly reduce energy costs in installations.

With the new coatings on offer at Emirates Glass, the company's customers in the glass insulation business can now procure the coated glass in stock sizes for processing, which significantly cuts down the overall turnaround time.

## GROWTH



## DIP grows with 280 new sub-tenants in first four months of 2017

Dubai Investments Park [DIP] has announced that 280 new sub-tenants have leased premises within DIP between January and April 2017, reinforcing its surging reputation as the preferred and most sought-after business destination in region.

The new leases during the period under review included 219 warehouses, 38 offices and 23 commercial units, bringing the total number of operational companies within DIP to over 4,880 – covering a wide range of industries, from medium to light industrial units in aluminium, steel, chemicals, pharmaceuticals, textiles, plastics, oil & gas, construction, building materials and

contracting sectors.

The leases included new and old tenants, who expanded their warehousing spaces within DIP. These included Transguard Group LLC, Azadea Group, ETA Melco Elevators Co LLC, Hilti Emirates, Chef Middle East, among others. Over 95% of DIP land is leased and 98% of its industrial zone is occupied.

The surge in tenants reflects the growing eminence of DIP, driven by its strategic location, state-of-the-art facilities, business-friendly environment and world-class logistics.

## PROJECTS



## Emicool to provide district cooling at Mirdif Hills

Emirates District Cooling LLC [Emicool] will provide district cooling services at the Mirdif Hills project. Emicool will deliver 15,000 Tonnes of Refrigeration [TR] chilled water from its utility complex at the Mirdif Hills site through pipes, valve chambers and heat exchange stations.

The system, equipped to cater to over 2,400 customers in the implementation stage, will increase Emicool's Refrigerating Tonnes per Hour [RTH] production capabilities by 10%. The contract covers chilled water systems for all residential buildings, hotel, furnished apartments and hospital within the AED 3 billion Mirdif Hills project.

## PROJECTS



## DIRC to launch second cluster of Mirdif Hills soon

Dubai Investments Real Estate Company [DIRC] has announced that the second cluster of the 'Mirdif Hills' project – Nasayem Avenue, which is situated at the centre of the project masterplan, will be launched for sales soon. Nasayem Avenue is surrounded by a gated community garden and a mix of residential buildings ranging from two and three bedroom apartments to three and four bedroom duplexes.

The excavation and shoring works for Janayen and Nasayem Avenue have been completed and foundation work is in progress while piling works for Al Multaqa Avenue have been completed.

The Mirdif Hills project was showcased at the Cityscape Abu Dhabi exhibition in April at the Abu Dhabi National Exhibition Centre [ADNEC]. A model of the development was also on show at the exhibition.

## PROJECTS



### Mirdif Hills progresses as per schedule

Dubai Investments Real Estate Company [DIRC] has announced the completion of preparation work including excavation and shoring works for the first phase of its AED 3 billion Mirdif Hills project.

The first phase of Mirdif Hills includes 1,054 apartments in its three components, Janayen Avenue, Nasayem Avenue and Al Multaqa Avenue. Foundation works for Janayen and Nasayem Avenues are nearly 75% complete as of May 2017

and ground floor slabs are under way. The mixed-use project is expected to be fully completed by the end of 2018.

The project offers a mix of residential, commercial and retail attractions spread across an area of 3.9 million square feet. These include studio, one, two, three-bedrooms & duplex apartments; a four-star hotel with 116 rooms, 128 serviced apartments & a 230-bed hospital. The main project contractor is Engineering Contracting Company [ECC].

## PROJECTS

### Dubai Investments starts infrastructure work on Palisades



Dubai Investments has announced that the infrastructure development of The Palisades project in Dubai Investments Park [DIP], is under way. The mixed-use project is spread across 13 million square feet with a total built-up area of approximately 22 million square feet and offers a range of residential, retail, office & recreational attractions.

The project is exclusively managed by Dubai Investments, through the Palisades Development Company.

Dubai Investments also announced that a contract for earth works grading and leveling of the roads has been awarded to Arabtec Construction LLC. The grading work is almost 45% finalized and expected to be completed by September 2017.

"The master plan of The Palisades is aligned with current market requirements. The infrastructure

within the project is being developed in phases at a total cost of AED 580 million," said Khalid Bin Kalban, Managing Director and CEO of Dubai Investments.

The infrastructure work includes construction of two 132KV sub-stations, district cooling network, sewage and irrigation systems, fire-hydrant networks, street lights, green parks and public facilities.

The Palisades has been divided into plots of varying sizes, ranging from 60,000 square feet to 600,000 square feet, and earmarked for development. The plots will be sold to investors who will develop as per the designed master plan.

Palisades Development Company is also offering easy payment plans for investors in the project, payable over a period of three years.

## EXHIBITIONS

## MODUL University Dubai guarantees paid internships for students

MODUL University Dubai offered one-of-its-kind, one-month paid internship for students enrolling for any of its academic programmes during the Gulf Education and Training Exhibition [GETEX] 2017 in April.

The paid internship program by MODUL is in commitment to the university's mission to reinforce value-added, 360-degree tailored quality education. The internship is not only enhance students' employability, but also offer valuable operational insights at Dubai's leading institutions.



The paid internship program has been designed for aspiring students in MODUL University Dubai's Foundation, Undergraduate and Masters' programmes, to help them supplement academic courses with diverse professional experiences.

MODUL University Dubai is set for the second year of its academic programmes in September. Over 140 students from 40-plus nationalities are currently pursuing various courses at the university – the only institution of its kind specialized in tourism and hospitality sector.

## EXHIBITIONS



## Dubai Investments, subsidiaries target strong growth across Africa

In line with its strategy to consolidate its market presence and growth in Africa, Dubai Investments participated in the Big 5 Construct North Africa exhibition in Casablanca, Morocco in April.

Dubai Investments' participation in the premier exhibition was focused on promoting its innovative products and solutions in the building materials and infrastructure sectors, amidst rampant construction activity in Morocco and North Africa. The region offers a promising growth potential with approximately US\$ 473 billion worth of active projects in North Africa propelling and nurturing the construction market.

Amidst the growing demand, six subsidiaries of Dubai Investments showcased their glass, steel, aluminium profiles, cranes and laboratory furniture solutions & technologies at the exhibition at the Parc Des Expositions de l'Office des Changes in Casablanca.

Dubai Investments subsidiaries at the exhibition include Emirates Glass, Emirates Float Glass, Emirates Building Systems, Emirates Extrusion Factory, Labtec LLC and Dubai Cranes. Through its subsidiaries, the company has completed or undertaken projects worth over \$85 million across Africa.

## EXHIBITIONS

### Emirates Insoleire gets strong response & sales enquiries at Intersolar Europe

Emirates Insoleire LLC received strong enquiries for its sustainable, energy-efficient coloured solar panel technology, reinforcing the surging demand for Building-Integrated Photovoltaics [BIPV] across the globe.

Emirates Insoleire generated a lot of enquiries for photovoltaic modules from consultants, architects, entrepreneurs and photovoltaic manufacturers during Intersolar Europe exhibition, the largest solar exhibition in the world, held between May 31 and June 2, 2017 at Munich, Germany. Over 1,200 exhibitors and 40,000 trade visitors attended the exhibition. The Emirates Insoleire booth was one of the most visited at the fair, and the Kromatix™ technology is now established worldwide as



reference for beauty, high efficiency and durability for BIPV.

This comes amidst booming global photovoltaics market. According to the latest research by industry experts, the demand for photovoltaics is expected to grow to nearly 392 GW this year, which would mean a doubling of the global PV market since 2014. Globally, there was nearly 306 GW of solar power capacity in 2016, up from around 50GW in 2010 and virtually nothing at the turn of the millennium.

## AWARDS

### Khalid Bin Kalban wins Top CEO Award

Khalid Bin Kalban, Managing Director and CEO of Dubai Investments, received top recognition at the Top CEO Awards 2017 in Jeddah in April. Kalban was ranked number 36 in the list of 100 regional CEOs compiled by Trends magazine in conjunction with Insead Business School and corporate governance institute Hawkamah.

The award, which recognized Kalban's dedication, skills and expertise in spearheading Dubai Investments' growth, is based on an evaluation of the company' listings on the respective stock exchanges across different categories. Abdulaziz Bin Saeed, member of Board of Directors of Saudi American Glass, received the award on behalf of Kalban.

The awards ceremony, held in King Abdulla Economic City, was attended by nearly 400 senior business leaders across different industries.



Abdulaziz Bin Saeed, Member of Board of Directors of Saudi American Glass, receives the award on behalf of Khalid Bin Kalban

## AWARDS

### TechSource wins award for Top 10 Best IT companies to work in UAE

Dubai Investments announced that TechSource LLC has won a prestigious industry award as one of the Top 10 Best IT companies to work for in the UAE.

The award by Accent Infomedia – the fastest growing technology publications house and publishers of Enterprise Channels MEA, was conferred during the Future IT Summit and Catalyst Awards 2017, held at Burj Al Arab in March.

The award to Techsource LLC felicitates and recognizes the fastest-growing and established companies in UAE that offer tremendous career



advancement opportunities along with leading-edge employee perks & benefits and valuable employee engagement.

Venkatesh Mahadevan, General Manager of TechSource LLC, and Asma Mohamed Ahmed, Chief Human Resources & Administration Officer at Dubai Investments PJSC, received the award.

## AWARDS



### Emirates Float Glass wins IDB environmental, health, safety award

Emirates Float Glass [EFG] has won a prestigious award from the Industrial Development Bureau [IDB] in recognition of its environmental, health and safety standards in the industrial sector.

Ahmed Helal S. Al Blooshi, Director General of IDB, handed over the award to Ghassan Mashal, General Manager of EFG, at a special function in April. Al Blooshi and other senior IDB officials also toured the EFG facility and appreciated the safety, environmental and healthy work practices at the plant.

EFG is committed to a unique Carbon Management Programme since 2012 which covers all aspects of its

manufacturing unit – be it the use of chemicals, disposal of industrial waste and air pollution levels, thus maintaining its balanced efforts to achieve sustainable development and upholding responsibilities towards all stakeholders.

The macro approach of EFG in occupational health and safety has contributed significantly to the company's performance and the Loss Time Injury incident rate has been completely eliminated since the 4th quarter of 2012. EFG is committed to prevent and minimize any adverse occupational health, safety and environmental impacts and risks arising from activities, products or services.

## EVENTS

### DIP hosts seminar on fire safety training by Dubai Civil Defence

Health, safety & environment managers and representatives of over 120 companies operating within Dubai Investments Park [DIP] attended a seminar on fire safety training by Dubai Civil Defence in March.

The seminar, held at the DI House Auditorium and conducted by Emirates Civil Defence Academy – part of Dubai Civil Defence, updated the attendees on the responsibilities for safety measures and the civil defence requirements to be fulfilled across various entities within DIP.

Various modalities on maintenance of preventive fire safety systems and training were presented during the seminar.



## EVENTS

### Dubai Investments holds Blood Donation Camp

Dubai Investments organized a Blood Donation Camp at its headquarters in Dubai Investments Park [DIP] in April. Held in association with Dubai Blood Donation Centre – Dubai Health Authority, the Blood Donation Camp received overwhelming response from the employees of Dubai Investments, its subsidiaries, companies operating in DIP as well as residents in the DIP neighbourhood.

Nearly 100 units of blood were collected as part of the blood donation drive. This is the sixth year that Dubai Investments organized a blood donation camp.



## EVENTS

### 41 companies compete in 14 events in DIP Corporate Sports championships



Dubai Investments Park [DIP] announced that 41 companies across the park competed in 14 different events as part of the 11th DIP Corporate Sports Championships – conducted by YalaSports, which concluded in April.

Companies operating within the DIP took part in an array of indoor and outdoor sporting events, including Swimming, Indoor Soccer, Indoor Cricket, Karting, Basketball, Volleyball, Table Tennis, Badminton, Billiards, Outdoor Soccer, Chess, Carom

and Bowling. The closing ceremony was held at Fortune Park Hotel in DIP, where the winners and outstanding performances were honoured.

Arcadis won the overall championships honour, Can Pack was adjudged the second best while Emirates Building Systems came third. The best players were Aziz Chahine from A2Z Architectural, Maria Teresa from Arcadis; Best Team Managers were Haris Kutty from Emirates Building Systems and Arun Kumar from Green Planet Industries.

## SUSTAINABILITY

### Dubai Investments lends a helping hand to lesser privileged during Ramadan



As part of its commitment to share, care and lend a helping hand to the lesser privileged sections of the society, Dubai Investments collaborated with different organizations on initiatives during the Holy Month of Ramadan.

These included Iftar distribution to the underprivileged and needy through Beit Al Khair Society, Ousha Bint Hussein Cultural Centre [Al Rewaq] and UAE Disabled Sports Federation. The company also supported the Smile on the Face campaign, which involved distribution of Iftar meals to labourers at camps across the UAE.

Dubai Investments also collaborated with Rawafed

Centre and Emirates Red Crescent to accompany the underprivileged and orphan children to go shopping for Eid clothes and shoes at Red Tag Departmental Store in Dubai. The shopping bills were paid by Dubai Investments. Over 23 employees of Dubai Investments volunteered for the initiative.

Dubai Investments extended its support to the Takatof 'Make A Wish' 2017 program, aimed at fulfilling the wishes of terminally-ill children during the Holy Month. The company also supported the Al Ihsan Charity Association in its Ramadan initiative to distribute grocery items for the lesser privileged and needy families.

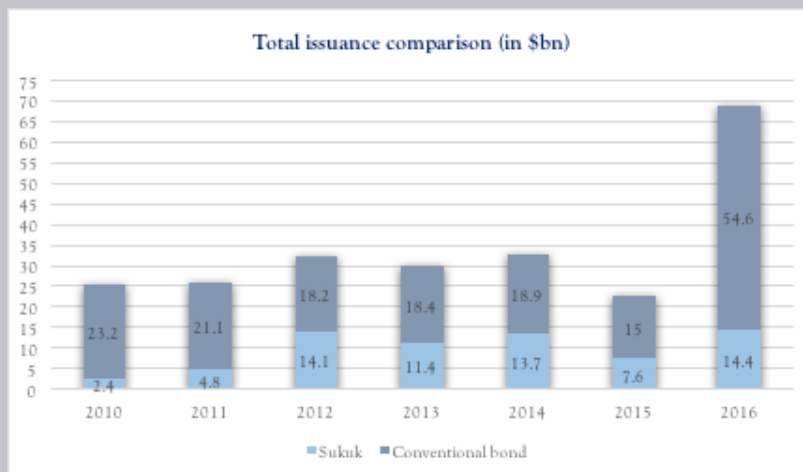
## A bright outlook for GCC Fixed Income

While GCC equity markets have been negatively impacted by the crash of oil prices and the geopolitical situation, opportunities in the GCC fixed income universe have been arising. During the high oil price period, GCC countries enjoyed budget

surpluses and solid cash reserves and had little need for bond issuances. However, with fiscal budgets being squeezed, GCC governments are looking for various sources of funding and hence started tapping into the debt market.

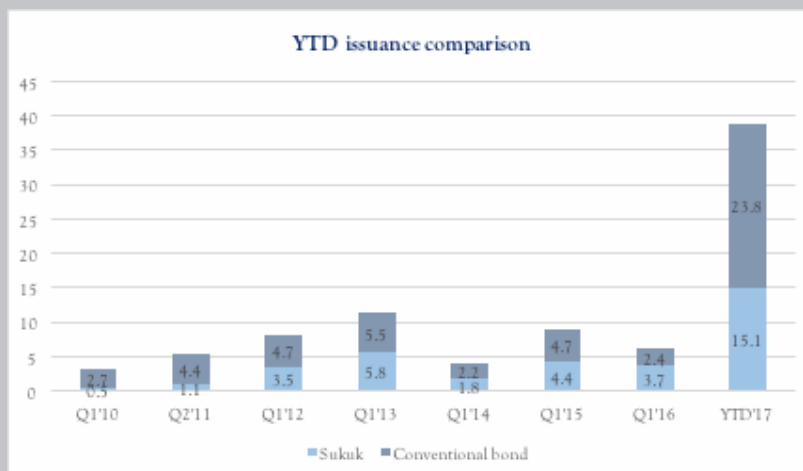
### 2016 was a record-breaking year for GCC bond markets

Indeed, the GCC sovereigns have issued a record \$69 billion of debt in 2016, making up 18% of the Emerging market sovereign debt. On the corporate side, more than 160 issuers tapped the debt markets.



### 2017 is expected to be a record year as well for Sukuks

Many investors in the GCC have portfolio restrictions that prohibits them from investing in conventional debt instruments. Thus, this creates unique demand for sharia-compliant bonds and Sukuk. The recent KSA Sukuk issuance is encouraging the other issuers to shift towards Sukuk issuance besides the conventional bonds. Such move creates visibility and attracts liquidity in addition to regulators and exchange houses becoming more accommodative.



## **GCC bonds market characteristics:**

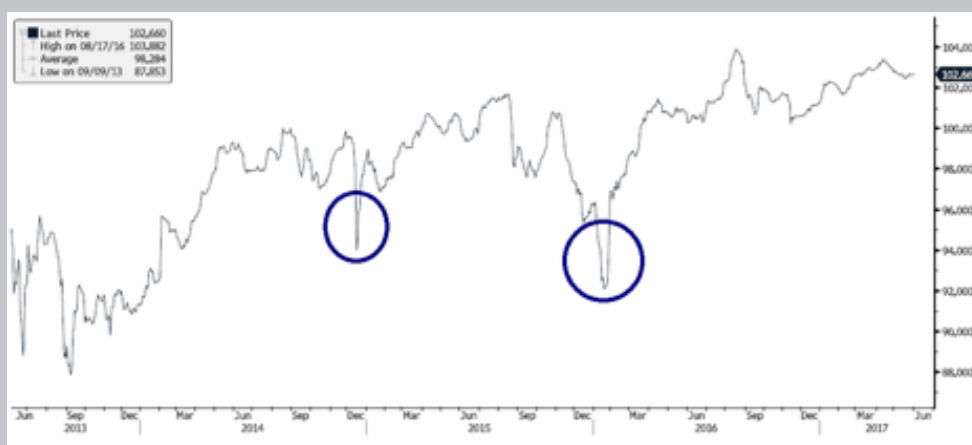
### **Diversification and risk premium**

The GCC market surely can't be fully immunized from global changes and market shocks in general. However, GCC bonds offer diversification and a

decent risk premium. On average, 5 year investment grade GCC bonds earn 100 bps premium over the 5 year U.S. treasuries. As compared to European investment grade 5 year bonds, GCC bonds earn an excess of 134 bps.

### **Resilience**

Despite oil prices dropping in 2014, the GCC bond market has been able to absorb the negative impact. In addition many bonds showed resilience to firm-specific shocks and were able to recover quickly. Additionally, we also think that once oil prices reach equilibrium and fiscal expenditure adjusts, GCC finances would be more sustainable as governments continue to diversify their economies and sources of income.



### **The hunt for yield: GCC Perpetual bonds**

Yield seeking investors can generate decent returns by investing in perpetual bonds of some of the GCC's biggest banks. The most popular bank perpetual bonds in the GCC, such as DIB, ENBD, FAB, and ADIB, yield a return in the range of 6 to 7%. With bond yields coming close to the current dividend yield on the stocks, investors can earn better risk-adjusted return without taking the equity market risk as bond returns tend to be more stable.

### **Conclusion**

With a more stable oil price, fiscal consolidation, rational spending and proactive decision making by governments, the evolution of the GCC bond markets has only begun. We expect the GCC region to become an important segment of global fixed income in the years to come.

While there are strong reasons to expect the US Treasury yield curve to shift upward in the medium-

term, an investment strategy focusing on quality names trading at a discount versus EMEA peers should lead to very decent risk-adjusted returns going forward.

### **Al Mal Capital: Positioned for expansion**

Through the Nominee structure, Al Mal Capital is able to seamlessly transact with multiple counterparties simultaneously. This feature allows Al Mal Capital to seek pricing from various market-makers and ensure that the clients get the best quotes available in the market. A dedicated trading desk ensures coverage of the MENA and International bond markets at all operating times 6 days a week.

### **-- Information by Al Mal Capital PSC**

## SUSTAINABILITY

### DI sustainability pledge drives innovation, shapes future cities

Dubai Investments reinforced its strong commitment to its sustainability strategy and mandate with industry-best innovation and products, including first-of-its-kind technology in the world, which are shaping the smart cities of the future.

With its iconic products, such as the world's first coloured solar panels, the energy-efficient LED technology among others, Dubai Investments and its subsidiaries have unveiled a wide array of sustainable solutions to achieve economic, environmental and social progress, in line with Dubai Government's plans to become one of top 10 sustainable cities in the world by 2020.

The company's innovation and sustainable solutions were showcased in the Sustainability Zone at the Future Cities Show 2017, held at Dubai World Trade Centre in April in conjunction with Annual Investment Meeting [AIM].



The products on display included highly-sustainable coloured solar panels & photovoltaics by Emirates Insolaire, which is capable of generating 170 to 190 watts per square meter for roof or 110 to 130 watts per square meter for façades; Energy-efficient LED luminaires by Lite-Tech Industries, which can lead to up to 85% savings compared to traditional bulbs; Laminated fire-rated and impact safety-rated glazing materials from Saudi American Glass, with fire-rating requirements ranging from 20 minutes to 3 hours; Efficient district cooling services from Emicool which has over 17,000 customers in the UAE; and E-Foam polystyrene from Emirates Extruded Polystyrene, offering energy conservation through insulation and reducing heat transfer from outside by 30-40%.

Dubai Investments was also part of the Annual Investment Meeting [AIM] Investors' Hub, along with its subsidiaries Dubai Investments Industries [DII] and Al Mal Capital PSC.

## SUSTAINABILITY

### DI Sustainability Champions align initiatives with UN Sustainable Development Goals

Dubai Investments hosted the second round of the training session for 'Sustainability Champions' of the company and its subsidiaries in May. Held under the theme 'For a Better Partnership within the Dubai Investments Family', the session focused on the Sustainable Development Goals 2030 outlined by the United Nations in its Agenda, which is being adopted by countries globally, especially the UAE.

The Sustainable Development Goals 2030 Agenda is being implemented by governmental bodies and several public and private sector departments, as well as by humanitarian, environmental and social NGOs.

Statistics, reports, films and a variety of models for international companies were presented to explain the 17 Sustainable Development Goals, which range from poverty eradication, hunger, clean drinking water, health care and education for all, to decent work,



economic growth and innovation, reducing inequality, preserving environment, reducing climate damage & partnerships.

'Sustainability Champions' at Dubai Investments actively participated in a range of practical tests that contributed to developing concepts for furthering the 'Sustainable Development Goals 2030', implementing them internally, and improving corporate responsibility among the employees. The participants discussed the role of private sector, and companies specifically, in studying and selecting objectives aligned with nature of each company's business and sustainability strategies.

A total of 15 'Sustainability Champions' took part in the session, including employees from Dubai Investments, Dubai Investments Park, Dubai Investments Industries, Masharie, Dubai Investments Real Estate Company, Emicool, Emirates Glass, Emirates Float Glass, Lumiglass Industries, Al Mal Capital, Al Taif Investment, Dubai Cranes and Emirates Extruded Polystyrene.

## SUSTAINABILITY

### DI collaborates with iMAKE to foster creativity among students

In a step that fosters creativity, innovation and creating a knowledge-based economy for current & future generations, Dubai Investments is collaborating with iMAKE, a company specialized in project-based learning programs, to integrate technology and real-life business processes for students.

As part of this initiative with iMAKE, Dubai Investments hosted 30 students from the Dubai American Academy to its offices as part of a field trip in May. They discussed and adapted the 3D printing technology and learning scenarios in real-world business processes of one of its manufacturing subsidiaries. After an interactive closed room session, the students were taken to Dubai Cranes



assembly unit for practical experience.

The initiative is part of an ongoing program to engage students to think critically on the latest technologies, while stimulating an engineering or design approach toward real-world business processes using their science and mathematics base.

A proprietary program, the iMAKE curriculum focuses on STEAM [science, technology, engineering, arts and mathematics] and draws on design principles that encourages students to come up with creative solutions to the challenges posed in front of them.

## PRODUCTS

### Extruded Polystyrene-Ideal for thermal insulation

Dubai Investments' joint venture Emirates Extruded Polystyrene [EEP], manufactures extruded polystyrene under the brand name E-Foam, which is used for thermal insulation and protection of heat in buildings. Some of EEP E-Foam brands are E-Roof, E-Wall and E-Floor. The products are capable of reducing the need for cooling in homes by 30-40%.

The insulation reduces heat transfer by stopping warm air from outside travelling to cooled areas inside the buildings. Extruded polystyrene is the most common insulation material produced from a combination of polystyrene granules with chemical additives. The product is environment friendly as all residual matters from the manufacturing process is recycled with original raw materials, resulting in zero wastage.

The product manufactured by EEP have densities ranging from 32kg to 50kg/m<sup>3</sup>, and thickness varying



from 25mm to 100mm.

The E-Roof is roof insulation which succeeds in insulating both the waterproofing membrane and the slab from extreme thermal stress. This is achieved by placing E-Foam above the waterproofing membrane instead of below light weight screed.

The E-Wall interior thermal insulation is used where existing buildings require insulation, building with special exterior finishes and building with intermittent air conditioning.

The E-Floor is an ideal thermal insulation product due to its high compressive strength, high resistance to water absorption, moisture penetration and low thermal conductivity. E-FOAM can be used for special floor applications such as cold store and parking deck floors.

For the last 20 years, innovation has been at the core of all product launches at Dubai Investments. Aimed at driving value to its stakeholders, Dubai Investments unveiled a number of product innovations – which have set new benchmarks across sectors. The products have been driven by pioneering technologies and the latest knowhow across specific industries, to deliver optimum value.

## DI GALLERY

The Holy Month of Ramadan brought the Dubai Investments family together at a Suhour.



A high-level delegation from Taiwan, including the Mayor of Kaohsiung, Ms. Chen Chu and top officials from the country, held meetings with the executive management of Dubai Investments at DI House in April and discussed different investments opportunities in Taiwan.

Dubai Investments Park, in collaboration with Emirates NBD Business Banking Division, hosted a Trade Day at DI House Park Auditorium in May. The Trade Day offered insights into the EBND Trade Finance solutions, Import/Export Finance norms and Value Added Tax.



Dubai Investments supported and participated in a Charity Corporate Football Tournament organized by Aston Carter in April in aid of Al Noor Training Centre.