

الواحة كابيتال
WAHA CAPITAL

FY 2018 Earnings Presentation

February 2019



FY 2018 Highlights

- FY 2018 net profit of AED 145.0 million compared to AED 425.9 million in FY 2017
- Return on Average Equity of 4.2% compared to 11.7% in 2017
- Total investments of AED 110.3 million into Asset management funds and AED 290.4 million into Petronash as upfront consideration
- Net cash proceeds of AED 789.3 million (Aercap and NPS Holdings Limited) and dividend from AAH AED 91.3 million
- Balance sheet of AED 11.7 billion in total assets, an increase of 3% over total assets of AED 11.4 billion as at Dec 31, 2017





FY 2018

Financial Highlights

FY 2018 Financial Highlights

- Net profit of AED 145.0 million, compared to AED 425.9 million in FY 2017
- EPS of AED 0.08 compared to AED 0.23 in FY 2017
- Assets of AED 11.7 billion as at 31 December 2018 vs. AED 11.4 billion as at 31 December 2017, an increase of 3%
- RoAE of 4.2% vs 11.7% in FY 2017
- Investment activity in FY 2018 include:
 - Asset management: Investment of AED 110.3 million (CEEMEA Credit Fund AED 44.1 million and MENA Equity fund AED 66.2 million)
 - Petronash: Acquired 31.5% stake for an upfront consideration of AED 290.4m
 - Aercap: Net proceeds on sale of 9.72 million shares AED 543.8 million
 - NPS: Sale proceeds of AED 245.5 million
 - AAH: Dividend of AED 91.3 million
- Assets under management:
 - Assets under management as at 31 December 2018 AED 2.5 billion, compared to AED 2.1 billion as at 31 December 2017
 - Net Third party funds raised AED 177.8m

NET PROFIT

AED **145m**

▼ 66% vs. FY 2017

TOTAL ASSETS

AED **11.7bn**

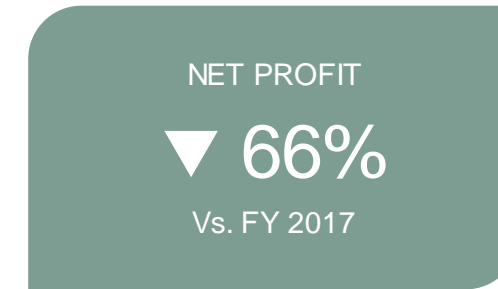
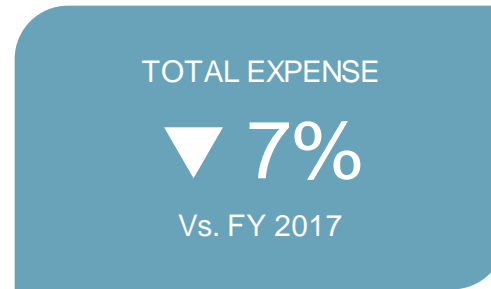
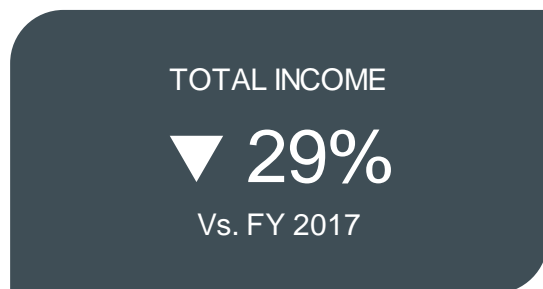
▲ 3% from Dec 2017

TOTAL AUMS

AED **2.5bn**

▲ 19% from Dec 2017

FY 2018 Financial Highlights



AED MILLIONS	FY 2018	FY 2017
Total Income	814	1,154
Expenses - Parent	(247)	(270)
Expenses - Subsidiaries	(404)	(430)
Non Controlling interest	(19)	(28)
Net Profit attributable to shareholders	145	426
Equity attributable to shareholders	3,579	3,380

KEY PERFORMANCE INDICATORS		
Earnings per Share (in AED)	0.08	0.23
RoAE	4.2%	11.7%

FY 2018 Financial Highlights



AED MILLIONS	31 DEC 2018	31 DEC 2017
Cash	429	490
Investments in equity-accounted investees & Assets held for sale	4,201	5,540
Investment Property	754	759
Other Investments(2)	5,654	3,818
Other Assets	633	746
Total Assets	11,671	11,354
Borrowings	6,464	6,584
Other Liabilities	657	600
Equity	4,550	4,170
<i>Leverage</i>	<i>25.3%</i>	<i>25.9%</i>

1. Based on share price as at 20 February 2019
2. Includes Financial investments, Loan investments and Finance leases



FY 2018

BUSINESS HIGHLIGHTS

YTD Sep 2018 Business Highlights

Private Investments – National Energy Services Reunited

TOTAL ACQUISITION VALUE

USD 880mn

NPS: \$591 mn / GES: \$289 mn

TOTAL REVENUE

USD 305mn

YTD Sep 2018

TOTAL NET INCOME

USD 12mn

YTD Sep 2018

OVERVIEW

- Waha acquired a 5.8% stake in a NASDAQ-listed entity - NESR - as part of exit consideration of NPS Holdings Limited.
- NESR is the first and only NASDAQ listed national oilfield services company in the MENA region and one of the largest oilfield services provider in the Middle East, North Africa and Asia region.
- On June 6th 2018, NESR consummated the 100% acquisition of: a) NPS Holdings Limited for a gross consideration of c. \$591 million and b) Gulf Energy S.A.O.C. for a gross consideration of c. \$289 million – aggregating total consideration of c. \$880 million.
- NESR operates in 14 countries, with 19 services lines through 3,200+ employees for 25+ clients
- Customer profile includes Saudi Aramco, Qatar Petroleum, ADCO, ADMA, Sonatrach, Kuwait Oil Company and other National and International Oil Companies
- Market Capitalization of c. US\$ 693 million as of 10th February 2019
- Carrying value of NESR was AED 191.2 million as at 31 December 2018.

KEY HIGHLIGHTS

- Reported revenue of US\$ 304.7 million, comprised of US\$ 196.2 million (2017: US\$ 180.3 million) from Production Services, US\$ 95.0 million (2017: US\$ 58.9 million) from Drilling & Evaluation Services and US\$ 13.5 million (2017: US\$ 25.1 million) from others.
- Reported EBITDA of US\$ 47.4 million and net income of US\$ 12.4 million
- Cash flows of US\$ 35.3 million generated from operating activities and cash flows of US\$ 64.7 million utilized in investing activities.
- Reported a net book value of property, plant and equipment as at 30 September 2018 of US\$ 304.7 million.

NPS HOLDING LIMITED

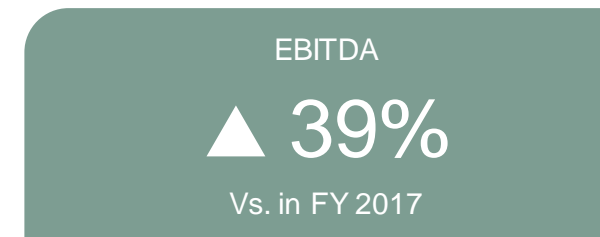
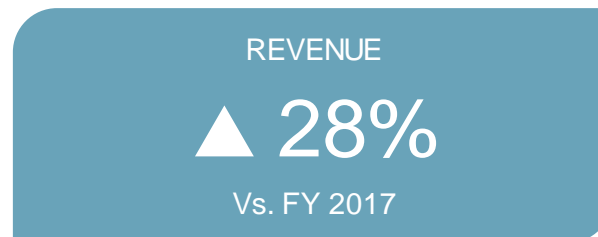
- Regional provider of products and services to the oil and gas industry in the Middle East, North Africa and Asia Pacific regions.
- Operates in twelve countries with the majority of its revenues derived from operations in KSA, Algeria, Qatar, UAE and Iraq.
- NPS provides an integrated service offering that includes: a) Well Services and Intervention, b) Drilling and Workover, and c) Wireline Logging and Testing
- Effectively delivers broad range of services by deploying one of the largest fleet of oilfield equipment, including cementing units, coiled tubing units, stimulation units, nitrogen units and oil and water well drilling rigs.

GULF ENERGY S.A.O.C.

- Leading provider of high quality integrated oilfield service solutions in the MENA region.
- One of the fastest growing oilfield service providers in the MENA region and has developed a footprint in KSA, Oman, Kuwait, and Algeria.
- Provides a broad suite of product and service offerings, operating under several service lines including: a) Well Intervention Services, b) Drilling Technology Solutions, c) Fishing & Remedial Services, and d) Drilling Technology Solutions, Performance Drilling & Evaluation.

FY 2018 Business Highlights

Private Investments – Petronash



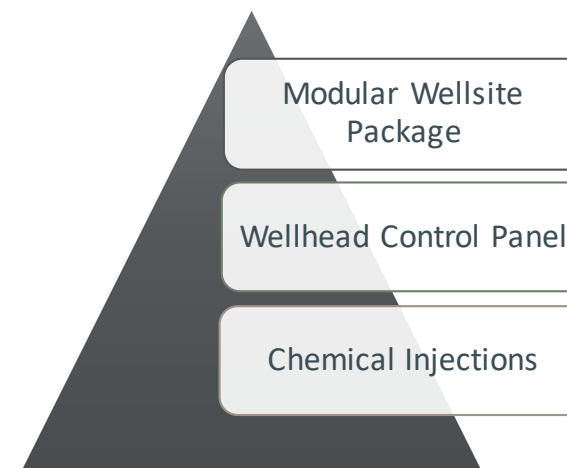
COMPANY OVERVIEW

- Founded in 2000 and headquartered in Dubai, Petronash owns manufacturing facilities in Dubai, Dammam and Chennai.
- Employs approximately 1,000 people worldwide, including more than 200 Engineers and R&D Personnel
- Leading provider of modular wellsite packages, chemical injection systems and wellhead control systems to the oil and gas industry.
- Provides support throughout the product life cycle starting from the early project stage up to commissioning and warranty support
- Dammam facility features technology, equipment and tools, that enable manufacturing, assembling and testing modular systems, chemical injection skids and wellhead control panels.
- Dubai manufacturing facility technology, equipment and tools, that enable manufacturing, assembling and testing modular systems, piping and skids.
- Engineering facility was set up in year 2010, spread over 10,000 sq. ft. and located Chennai, India; to cater the engineering and back office support requirements of global offices.
- A dedicated R&D unit setup to fine tune its products and streamline the quality of products, having competency to design, develop and manufacture various engineering products and components in a thorough professional manner giving it a competitive advantage.

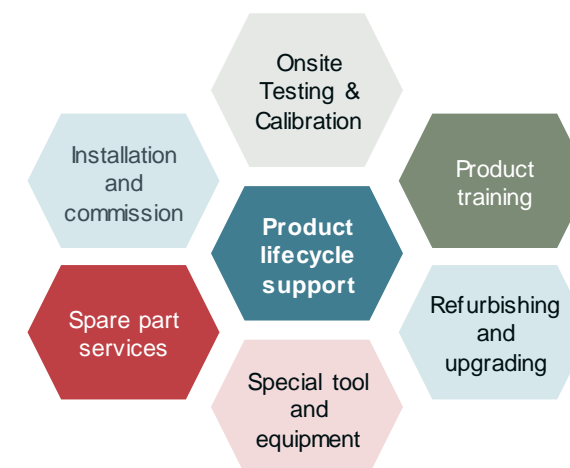
FY 2018 KEY HIGHLIGHTS

- Reported revenue of AED 663.1 million compared to AED 518.5 million in 2017
- Reported EBITDA of AED 215.2 million compared to AED 154.9 million in 2017

PRODUCTS OFFERING

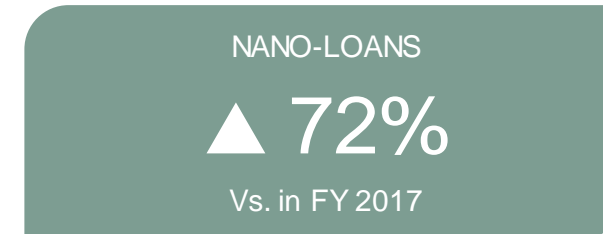
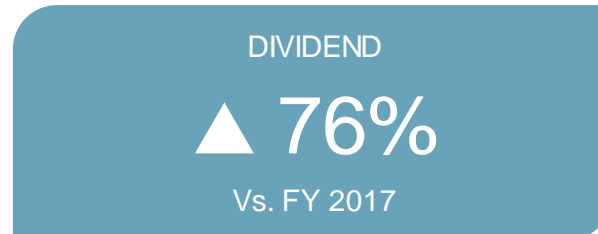
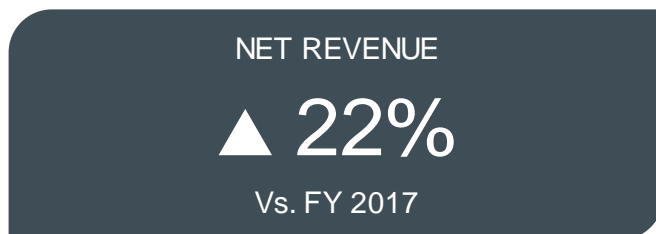


SERVICES OFFERING



FY 2018 Business Highlights

Private Investments – Channel VAS Investments limited (CVAS)



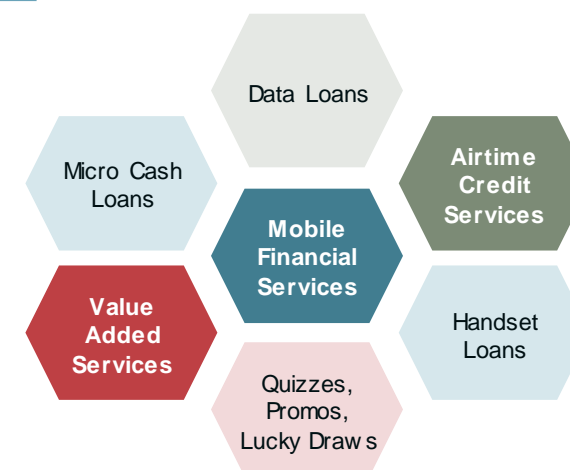
OVERVIEW

- In September 2017, Waha Capital acquired a 20% stake in Channel VAS – a Dubai-based fintech provider of airtime credit services, mobile financial services, handset loans and micro cash loans.
- CVAS is a premium fintech company providing financial services to the subscribers of mobile operators in over 25 countries across 4 continents
- Funded nano-loans aggregating US\$ 1.5 billion in 2018 compared to US\$ 871 million in 2017
- Access to over 650 million mobile subscribers for the airtime credit service product
- Well positioned to capture high potential growth in US\$ 69 billion airtime credit industry; as well as a much larger untapped market for newer Channel VAS product lines including micro cash loans and hand set loans
- Selected list of customers include MTN, Vodacom, Viettel, Lyca Mobile, Millicom, Umniah, Mobily, Mobilink and others
- The carrying value of Channel VAS was AED 188.3 million as at 31 December 2018

FY 2018 KEY HIGHLIGHTS

- Revenue of AED 209.9 million, compared to AED 171.5 million in the corresponding period 2017
- Paid a dividend of AED 93.4 million, compared to AED 53.0 million in the corresponding period 2017

SERVICES OFFERING



YTD Sep 2018 Business Highlights

Private Investments - SDX Energy Inc

REVENUE

▲ 41%

Vs. YTD Sep 2017

GROSS PROFIT

▲ 52%

Vs. YTD Sep 2017

CAPITAL EXPENDITURE

US\$ 35.7mn

in YTD Sep 2018

OVERVIEW

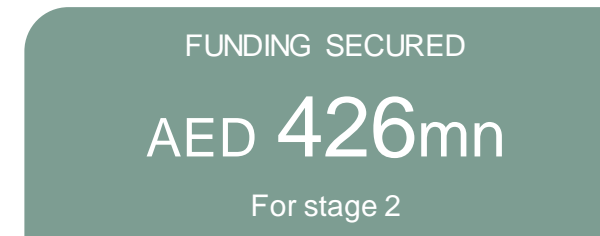
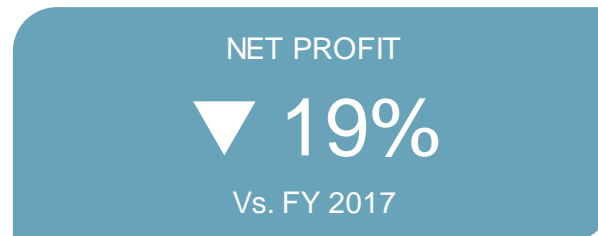
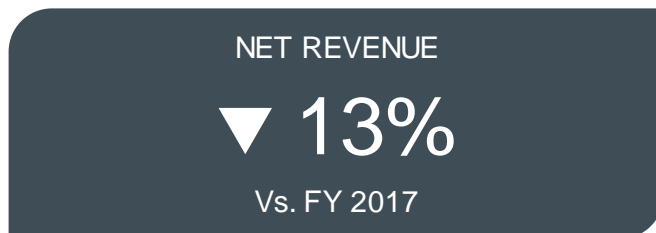
- Engaged in the exploration for and development and production of oil and natural gas, with properties located in the Arab Republic of Egypt and the Kingdom of Morocco.
- SDX trades on the Toronto Venture Stock Exchange ("TSX-V") in Canada and on the London Stock Exchange's Alternative Investment Market ("AIM") in the UK
- Successfully acquired a portfolio of oil and gas production and exploration assets in Egypt and Morocco in early 2017, which increased SDX's working interest 2P reserves to 9.03 mmboe
- SDX Energy intends to increase production and cash flow generation organically, through a fully funded and active work programme consisting of improvements made to existing fields and the development of new discovered resources.
- During 2019, the company plans to drill a series of high impact exploration and development wells across the portfolio, with the delivery of the South Disouq gas development expected by the end of H1 2019
- Portfolio contains interests in 6 concessions – a) Egypt – NW Gemsa, b) Egypt – Meseda, c) Egypt – South Disouq, d) Egypt – South Ramadan, e) Morocco – Sebou, and f) Morocco – Lalla Mimouna Nord
- Waha owns a 19.5% stake in SDX with carrying value of AED 66.3 million as at 31 December 2018

YTD Sep 2018 KEY HIGHLIGHTS

- Production of 3,455 boe/d compared to 3,280 boe/d in corresponding 2017;
- Net realized average oil price of US\$ 63.69/barrel compared to US\$ 44.20/barrel in corresponding 2017;
- Net realized average Morocco gas price of US\$ 10.52/mcf compared to US\$ 9.43/mcf in corresponding 2017;
- Revenue of US\$ 39.8 million, compared to US\$ 28.2 million in corresponding 2017;
- Gross profit of US\$ 31.1 million, compared to US\$ 20.4 million in corresponding 2017;
- Cash flow from operations of US\$ 22.7 million, compared to US\$ 10.0 million in corresponding 2017;
- Invested US\$ 35.7 million into capital expenditure, compared to US\$ 5.7 million in corresponding 2017; and
- Cash balance of US\$ 18.7 million at 30 September 2018, compared to US\$ 30.5 million at 31 December 2017.

FY 2018 Business Highlights

Private Investments – Waha Land



OVERVIEW

- Waha Capital received a 6 km² land grant from the Government of Abu Dhabi in 2007 to develop a mixed use industrial park
- The project was divided into four equal phases (1.5 km² each) to allow for flexibility in terms of scale and funding
- Construction of Phase I infrastructure and 90,000 m² of leasable industrial space was completed in Dec 2012
- Leasing activity commenced in Q1 2013; achieved full occupancy by the end of Q1 2015 for Small Industrial Units (SIUs)
- Secured AED 426 million of funding for Stage 2 with a local bank
- The construction of Stage 2a is complete with initial batch of tenants starting to commence their operations from the units
- The carrying value of investment property was AED 753.6 million as at 31 December 2018

FY 2018 KEY HIGHLIGHTS

- Rental revenue and other income of AED 32.7 million (2017: AED 37.6 million)
- Cumulative development cost of AED 196.0 million (31 December 2017: AED 176.3 million) incurred for the construction of Stage 2A
- Net Profit before fair value adjustment of AED 13.8 million (2017: AED 17.1 million)

FY 2018 Business Highlights

Private Investments – Anglo Arabian Healthcare

TOTAL REVENUE

▼ 12%

Vs. FY 2017

TOTAL ASSETS

AED 297mn

FY 2018

DIVIDEND PAID

AED 100mn

OVERVIEW

- UAE healthcare company, with an initial focus on hospitals, clinics, diagnostics, laboratories and pharmacies
- 30 healthcare assets in the Northern Emirates, Abu Dhabi and Dubai
 - Network of 20 clinics, 7 pharmacies, 1 diagnostics center and 1 medical education provider
 - 1 multi-specialty hospital opened in 2015 in Ajman, with an inpatient capacity of 10,000 per annum
- During 2017, AAH has completed the sale of its full equity stake in Proficiency Healthcare Diagnostics (PHD) to Al Borg Medical Laboratories, the GCC's largest chain of private laboratories. The transaction involved an equity sale price of approximately AED 171.1 million for 93% of PHD, with the net impact on AAH being an accounting gain of approximately AED 124.5 million
- During the year, AAH acquired additional stake of 13.2% in Amina Hospital LLC, which increased its ownership from 60% to 73.2% for a purchase consideration of AED 17.8 million
- AAH employs more than 900 people and serves over 800,000 registered outpatients
- Carrying value of AED 191.4 million as at 31 December 2018

FY 2018 KEY HIGHLIGHTS

- HealthBay added a dental clinic in FY 2018, complementing its multispecialty medical complex in Dubai, offering a wide range of specialized healthcare facilities
- Launched Amina Medical Center in Ajman in July 2018 to add more outpatient capacity and drive referrals to Amina Hospital
- Consolidated revenue of AED 261.3 million, a 12.2% decrease on AED 297.5 million in the corresponding period in 2017, mainly due to the disposal of PHD in December 2017
- Revenue is comprised of:
 - AED 70.9 million (2017: AED 116.1 million) from laboratory services
 - AED 149.5 million (2017: AED 144.1 million) from patient fees
 - AED 40.9 million (2017: AED 37.3 million) from sale of pharmaceuticals
- Shareholders' equity base attributable to owners of AED 200.0 million as at 31 December 2018 compared to AED 364.4 million as at 31 December 2017

FY 2018 Business Highlights

Asset Management - Funds

CEEMEA CREDIT RETURN

▲ 6.1% FY 2018

▲ 136.8% Since inception Jan 2012

CEEMEA CREDIT FUND

- The fund focuses on investing in:
 - Capital market securities (bonds, sukuk and convertibles)
 - US Dollar denominated sovereign and corporate bonds
- Seed capital of AED 412 million (\$112m)
- In June 2015 the fund was first offered to third-party institutional, family office and high-net-worth investors
- The CEEMEA Credit Fund won the “Best Fixed Income Fund 2018” from The Banker Middle East and won the “Best Fixed Income Fund UAE 2016” from the Global Banking & Finance review and was ranked #1 fund in the Emerging Markets Eastern Europe by Barclay-Hedge
- Returns reflect identification of thematic trades as well as individual mispriced securities and successful risk management
- Focus on relative value of securities resulting in low volatility of returns

MENA EQUITY RETURN

▲ 9.4% FY 2018

▲ 121.4% Since inception Jan 2014

MENA EQUITY FUND

- The fund focuses on investing in equity securities in the large MENA region
- Seed capital of AED 434 million (\$118m)
- In July 2015 the fund was first offered to third-party institutional, family office and high-net-worth investors
- The MENA Equity Fund Won the “Asset Manager of the year 2018 – UAE” and “Best Absolute Return Fund (Since Inception) from W&F 2018 and in the past it has received several awards including the “Best GCC Equity Fund” at the Banker Middle East Awards and was awarded the “Best MENA Equity Fund > \$50m” at the recent MENA Fund Performance Awards.
- YTD returns reflect careful stock selection and avoidance of market sell offs
- Focus on bottom up stock selection and maintenance of healthy cash balance in case of an adverse tail risk event

MENA VALUE RETURN

▼ 2.0% FY 2018

▲ 24.2% Since inception Nov 2015

MENA VALUE FUND

- Initial seed capital of AED 184 million (\$50 million) deployed
- Focuses on long-term capital appreciation by investing in equities and other securities in MENA.
- Investment criteria considers business quality and sustainability, effective capital allocation, balance sheet strength, management quality and valuation upside/limited downside risk of the underlying stock

SUMMARY & OUTLOOK

- Streamlined organization aligned with its two core activities – Private Investments and Asset Management
- Diversified asset base and revenue streams between Private Investments and Asset Management :
 - Private Investments delivers on value creation and cash realization; with strategic emphasis on certain sectors like energy and fintech
 - Asset Management business continues to deliver strong returns, outperforming benchmarks; with strategic emphasis on raising 3rd party AUMs and fee income
- Strongly embedded and integrated risk management and corporate governance
- Robust financial position with strong level of liquidity and prudent leverage – well positioned for steady and long term growth



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Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: our ability to maintain adequate revenue levels and cost control; economic and financial conditions in the global markets and regional markets in which we operate, including volatility in interest rates, commodity and equity prices and the value of assets; the implementation of our strategic initiatives, including our ability to effectively manage the redeployment of our balance sheet and the expansion of our strategic businesses; the reliability of our risk management policies, procedures and methods; continued volatility in the capital or credit markets; developments and changes in laws and regulations, including increased regulation of the financial services industry through legislative action and revised rules and standards applied by regulators.

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LET US HEAR FROM YOU



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THANK YOU