

PRESS RELEASE

14 February 2017

DXB ENTERTAINMENTS P.J.S.C.
Announces Full Year 2016 Financial Results

Financial Highlights

	31 Dec 2016	31 Dec 2015
	(AED m)	(AED m)
Property and equipment, investment properties, inventories, advances and other receivables	10,289	5,309
Cash and other financial assets	2,524	3,317
Total assets	12,814	8,626
Revenue	75.9	-
Profit/Loss	(485)	(111)

Operational Highlights

- Company moved into operational phase with the opening of the Dubai Parks and Resorts destination to the paying public, with staggered opening of the individual parks
- 323,489 visits to the three theme parks recorded during November and December 2016
- Six Flags Dubai on track for late 2019 opening; construction commenced in July 2016

Raed Kajoor Al Nuaimi, Chief Executive Officer, DXB Entertainments PJSC, said, “We are pleased to announce that we have now entered the operational phase of our company with the opening of Dubai Parks and Resorts to the paying public following the staggered opening of the destination, starting with LEGOLAND® Dubai and Riverland™ Dubai on the 31st of October followed by Bollywood Parks™ Dubai on the 17th November, MOTIONGATE™ Dubai on the 16th December, and the Lapita™ Hotel and the LEGOLAND® Water Park on the 2nd January this year.

“We have come a long way since the 2014 IPO and as with any greenfield project – and especially a multi-faceted 25 million square foot leisure and entertainment destination – it has been a challenging, but ultimately a rewarding journey. We have been working tirelessly over the past 4 years to deliver the region’s first integrated theme park destination to UAE residents and visitors within an AED 10.5 billion budget. This would not have been possible without our highly dedicated team of theme park experts, advisors and contractors as well as the support of the Dubai authorities and government bodies.

“The last quarter of 2016 was a challenging one, as the company shifted focus from construction to operations. The last elements of the destination were in the final stages of delivery with various milestones overlapping and small slippages causing impact on targets. Therefore, despite our initial plan to open the whole destination to the public on the same day, we opted for a staggered opening approach which also allowed us to leverage the operational experience gained from one opening to the next.

“Total revenue during the year ended 31 December 2016 was AED 75.9 million, of which AED 63.4 million was theme park revenue. The theme park revenue only covers LEGOLAND® Dubai in November and December and a few weeks for Bollywood Parks™ Dubai and MOTIONGATE™ Dubai. While we are happy to have attracted over 300,000 visits in such a short period of time, we know that the coming quarters will be more indicative of the destinations appeal to visitors from across the globe, as we start attracting business from global tour and travel operators. Our 2016 figures are reflective of the ramp-up of the business and we expect the coming quarters to be more reflective of attendance levels and in-park spending habits.

“As at the end of December 2016, we had signed lease proposals for 51 units at Riverland™ Dubai representing 84% of the available leasable space. By the end of the year over half the units at Riverland™ Dubai were operational including our own Emirati seafood restaurant concept, Al Mashowa.

“As at 31 December 2016, our total assets stood at AED 12.8 billion, primarily comprising AED 10.3 billion in property and equipment, investment properties, inventories, advances and other receivables. At year end, we had drawn down AED 3.4 billion of our AED 4.2 billion financing facility for Phase I of Dubai Parks and Resorts.

“Our loss for 2016 was AED 485 million in comparison to AED 111 million during the same period last year. A large portion of our loss reflects pre-opening expenses which are captured within our project cost. As at the end of the year our full time employees had increased to over 3,100 representing a multi-cultural staff from 88 different nationalities.

“During the year, we renamed ourselves DXB Entertainments PJSC, reflecting our long-term ambition to grow into the wider leisure and entertainment industry. We are proud to be part of creating a new industry for the region, and are confident in our ability to deliver long-term shareholder value. As a testament to the strategic importance of Dubai Parks and Resorts to the UAE’s economy, we were honoured have the

inauguration attended by various UAE dignitaries, international media and celebrities at the Grand Opening ceremony on 18th December 2016.

“During 2016 we also announced, Six Flags Dubai, which will play an important role in shaping the Dubai Parks and Resorts destination. We remain on track to open Six Flags Dubai in late 2019, and as at the end of December 2016, work was ongoing to finalise the detailed design works and infrastructure tenders, as well as having seven ride contracts in final stages and 13 RFPs issued for additional rides.

“Our immediate focus in the coming quarters is to deliver operational excellence, stable visitor numbers for Dubai Parks and Resorts and exploring additional revenue streams. Our operations team is taking on the experience gained in the past few months to optimise park opening hours, staff training, and manpower deployment plans as well as continuing to improve the visitor experience. Our projects team is focused on delivering the last remaining elements in MOTIONGATE™ Dubai, and we expect all remaining rides and attractions as well as the remaining units at Riverland™ Dubai to be available to the public by the beginning of the second quarter.

“Our sales team has been focused on implementing our sales plans in Saudi Arabia, India and the UK, as well as activating 120 Dubai hotels via partner tour desks, signing 6 contracts with partner hotels and hosting familiarisation trips and destination experiences as we ramp-up our efforts to attract international visitors to our destination.

“In order to deliver further value to our shareholders, we continue to explore additional revenue streams. Our aim is to increase shareholder value by leveraging existing resources and expertise in capital light projects and endeavours. During 2016, we signed an MOU with Meraas to provide project management services to select Meraas projects such as the Dubai Arena, a half a million square feet multipurpose entertainment destination, owned by Meraas and due to open in late 2018.

“We are also happy to announce that post-period we signed an agreement to open the first LEGOLAND® Hotel in Dubai, as part of the Dubai Parks and Resorts destination. A first for the region and the seventh to open worldwide, the LEGOLAND® Hotel in Dubai will be a 60:40 joint-venture between DXB Entertainments PJSC and Merlin Entertainments and will be operated by Merlin Entertainments once opened.”

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DXB Entertainments PJSC

DXB Entertainments PJSC is a Dubai headquartered leisure and entertainment company traded on the Dubai Financial Market (DFM) under the trading symbol DXBE. As of the 31 December 2016 it had a market cap of AED 10.4 billion.

DXB Entertainments was listed on the DFM in December 2014 originally as Dubai Parks and Resorts PJSC. DXB Entertainments owns and operates the Dubai Parks and Resorts destination which consists of 4 theme parks (Six Flags Dubai opening in 2019) and 1 water park all at the same location. The large-scale AED 13.2 billion development is spread across 30.6 million square feet of land with 6.7 million ticketed visits expected in 2017, the first full year of operation.

For more information, go to: www.dxbentertainments.com

Dubai Parks and Resorts

Dubai Parks and Resorts, owned by DXB Entertainments PJSC, is the Middle East's largest multi-themed leisure and entertainment destination comprising three separate theme parks: MOTIONGATE™ Dubai, a Hollywood movie inspired theme park concept; LEGOLAND® Dubai, the first LEGOLAND theme park in the Middle East; and Bollywood Parks™ Dubai, a first-of-its kind theme park that will showcase rides and attraction based on some of Bollywood's biggest blockbusters. It will also host the LEGOLAND® Water Park, the region's first water park catering to families with children aged 2-12. Expected to open in late 2019, Six Flags Dubai will be destinations fourth theme park and the regions first Six Flags themed park.

The entire destination is connected by Riverland™ Dubai – a uniquely themed retail and dining destination at the heart of Dubai Parks and Resorts, and guests can stay at the Lapita™ Hotel, a Polynesian themed family hotel part of the Marriott Autograph Collection.

Located on Sheikh Zayed Road opposite the Palm Jebel Ali in Dubai equidistant to Dubai and Abu Dhabi International Airports the destination offers over 100 rides and attractions

For more information go to: www.dubaiparksandresorts.com