



## **Press Release**

### **Amlak Announces First Half 2019 Results**

- *Total revenues up by 6%*
- *Revenues from financing business activities up by 2%*
- *Net profit of AED 4 million*
- *Operating cost down by 3%*
- *Total assets stand at AED 6 billion*

**Dubai, UAE: 31 July 2019** – Amlak Finance PJSC, a leading specialized Islamic real estate financier, today announced its financial results for the first half ending June 30, 2019.

Total revenues for H1 2019 amounted to AED 215 million; an increase of 6% compared to AED 203 million during the same period in 2018.

Revenues from financing business activities improved by 2% to AED 87 million during H1 2019 compared to AED 85 million during the same period last year.

The company reported net profit of AED 4 million in H1 2019 compared to AED 11 million net profit during H1 2018.

Operating costs decreased by 3% to AED 59 million in H1 2019, compared to AED 61 million during the same period last year.

During H1 2019, Amlak recorded an impairment charge of AED 59 million on Islamic Financing Assets compared to AED 25 million in H1 2018; this increase in impairment is mainly due to a financial default of a developer.

The Company also recorded an amortization cost of AED 50 million in H1 2019 down by 15% compared to AED 59 million in the same period last year. The amount of amortization represents the unwinding of fair value gains on initial recognition of investment deposits, and varies according to the level of repayment made to the financiers in any reporting period.

Total assets continue to stand at AED 6 billion and total liabilities at AED 5 billion, similar to the 2018 year-end financial position.

In H1 2019, Amlak were on schedule for key real estate projects including the labor camp project with four out of eight buildings completed and the remaining four on schedule.



The company reached an advanced stage of renegotiating the funding terms with its financiers; negotiations are expected to be concluded before end of 2019.

Commenting on the results, Mr. Arif Abdulla Alharmi Albastaki, Managing Director & CEO of Amlak said: “Despite market headwinds, Amlak performed positively in the first half of 2019, confirming our strategy to help grow the business and add value to our shareholders. We made significant progress with our financiers renegotiating the funding terms and we expect to conclude these renegotiations and sign a new agreement before the end of this year. This will not only give us more flexibility to adapt to the real estate market conditions in the region but would also provide Amlak with the opportunity to further facilitate and strengthen our business.”

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#### **About Amlak Finance PJSC:**

Established in 2000, Amlak Finance is a leading specialized real estate financier in the Middle East. Amlak provides innovative, Shari’a-compliant property financing products and solutions designed to meet the ever-changing market demands. Amlak offers a range of customized financial solutions and products to investors for both ready and off-plan properties.

Following the completion of its highly successful financial restructuring in 2014, Amlak is pursuing a prudent business strategy that is also now well-placed to work towards continuous enhancement of value for its shareholders.

Amlak launched its first international office in Cairo in 2007. It also has business associations in Saudi Arabia.

To learn more about Amlak Finance, please visit our website: <http://www.amlakfinance.com/>

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