



Press Release

Amlak Finance Announces Third Quarter 2021 Results

- *Amlak Q3 2021 net group profit stands at AED 1.08 billion and total assets stand at AED 4 billion*
- *The Company successfully concluded the settlement of the arbitration with a net value of approximately AED 875 million*
- *Debt settlement arrangements yielded AED 465 million gain and contributed in total debt reduction of AED 904 million*

Dubai, UAE: 14 November 2021: Amlak Finance PJSC, a leading specialised Islamic real estate financier in the Middle East, today announced its Q3 2021 financial results. The company focused on prudently managing its UAE operations and balance sheet.

Amlak reported a net profit of AED 1.08 billion in the first 9 months of 2021, compared to net loss of AED 239 million for the comparative period of 2020.

Amlak's Q3 2021 income increased by 367% to AED 1,248 million as compared to AED 267 million in Q3 2020 excluding fair value losses on investment properties. Increase in income is mainly related to the settlement of the arbitration and the gain resulted from the debt settlement arrangements. Q3 2021 revenues from financing business activities decreased by 2% and stands at AED 126 million in September 2021 (September 2020: AED 129 million), while rental income decreased by 48% during the first 9 months of 2021 to AED 19 million (September 2020: AED 35 million).

The Company successfully concluded the settlement of the arbitration ruling in Amlak's favor with a net value of approximately AED 875 million including both plots and partial cash installments to be paid over 24 months.

The company's debt settlement arrangements, through cash and real estate assets swap, remained successful during the period, and enabled four financiers to fully settle and two financiers to partly settle their exposure in the first 9 months of 2021.

Operating costs increased by 46% to AED 110 million in September 2021, compared to AED 75 million during the same period last year due to recording of acquisition cost of newly acquired plots in settlement of arbitration.



The company also continued to efficiently manage its obligations, including recurring repayment of AED 148 million to financiers till September 2021.

The company recorded an amortisation cost of AED 125 million in September 2021 as compared to AED 80 million in September 2020. The amount of amortisation represents the unwinding of fair value gains on initial recognition of investment deposits, and varies according to the level of repayments and settlements made to the financiers in any reporting period.

As a result of debt settlements and repayments to financiers, the profit distributed to financiers decreased by 12% and stood at AED 67 million in September 2021 as compared to AED 76 million for the same period last year.

- Ends -

About Amlak Finance PJSC:

Established in 2000, Amlak Finance is a leading specialised 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 customised financial solutions and products to investors and end-users for both ready and off-plan properties.

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

For more information, please visit www.amlakfinance.com

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