Amlak announces Renegotiation of Restructuring Terms with its Financiers

Dubai, UAE: 22 January 2019 - Amlak Finance PJSC, a leading specialized Islamic real estate financier in the Middle East, today announced that it is entering into renegotiations with its financiers on restructuring terms agreed in 2014 and subsequently revised in 2016. This allowed for the resumption of normal business activity that enabled successful repayment of 48% of Amlak's total debt over a period of 4 years under a 12 years restructuring plan.

Milestones reached by Amlak since the November 2014 Restructuring

- **2014**: Successfully concluded the restructuring of its AED 10.2 billion Investment Deposits and settled AED 2.8 billion in cash with financiers
- **2015**: Advance payment of AED 758 million to financiers and resumption of share trading on the Dubai Financial Market in June 2015
- **2016**: Advance payment of AED 274 million to financiers and successful renegotiation of key restructuring terms with financiers
- **2017**: Payment of additional AED 100 million to financiers
- **2018**: Advance payment of AED 684 million to financiers in January 2018

The current funding agreement imposed certain restrictive covenants on Amlak, which given the passage of time and changes in market dynamics and macro-economic factors proved to be detrimental to the long term prospects of the Company.

Consequently, Amlak is approaching its financiers to renegotiate funding conditions to allow it more flexibility in adapting to current market conditions. This will provide Amlak with the opportunity to grow its business resulting in balance sheet growth and increased shareholder value.

The renegotiation has commenced and, subject to securing approvals from financiers and related authorities, is expected to be concluded by Q2 2019.

Since the original restructuring Amlak has successfully serviced its debt, and generated net profits of AED136 million (FY2015), AED 107 million (FY2016) and AED 51 million (FY2017).

Within the first four years of restructuring, the Company has also paid AED 4.3 billion, representing 48% of its total outstanding debt to its financiers, and redeemed AED 275 million representing 21% of the Mudaraba Instrument.

- Ends -

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/