Press Release

Deyaar to proceed with capital restructuring

Dubai, UAE, 20 April 2020: Deyaar Development PJSC ("Deyaar"), one of Dubai's leading property developers and real estate service providers, has announced that it will proceed with capital restructuring plans, having gained the necessary approvals from its shareholders and the Securities and Commodities Authority (SCA).

During the recently held Annual General Meeting (AGM), shareholders approved the Board of Directors' recommendation to reduce Deyaar's capital from AED5.78 billion to AED4.55 billion. Shareholders authorised Deyaar's CEO and/ or any members of the Board of Directors to undertake the necessary procedures and steps to allow the company to complete its capital restructuring. The effective date of the reduction will be announced after the creditors announcement, which will take 30 days according to the regulations and upon completing the formalities.

Saeed Al Qatami, CEO of Deyaar said: "We would like to thank our shareholders for their continued confidence. The plan for capital restructuring proposed by our Board of Directors will enable Deyaar to write off all accumulated losses stemming largely from more than a decade ago, enabling us to further improve financial ratios and increasing our company's attractiveness to investors and future financing. We anticipate this to also have a positive impact on share price and demand, as well as the possibility of dividends distribution in case of accumulated profits and depending on availability of excess cash. This move is yet another positive step for Deyaar, which we fully believe will further strengthen our business."

The capital restructuring plan will see the cancellation of 21.3% of the company's shares. This will be conducted in accordance with the Commercial Companies Law, the Company's Article of Association, the rules and regulations of the SCA, and all of authorities' related regulations.

Deyaar expects the capital restructuring process to be reflected in the market by end of May 2020.

Listed on the Dubai Financial Market and majority-owned by Dubai Islamic Bank (DIB), Deyaar is one of Dubai's leading developers, with real estate ventures spanning key growth corridors and prime locations within the emirate. Over the years, Deyaar has delivered an extensive portfolio of commercial and residential properties, all offering the highest levels of service and quality.

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