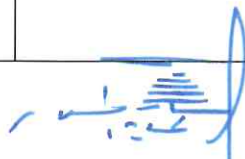


Detailed analysis of accumulated losses

Date:	24 February 2022
Listed Company Name:	Deyaar Development PJSC
Define the period of the financial statements	Year ended 31 December 2021
Accumulated losses:	AED 1,705,600,000
Accumulated losses to capital ratio:	29.52%
The main reasons leading to these accumulated losses and their history:	The main reasons for the accumulated losses are the provisions for impairment of assets due to the real estate market situation in Dubai recorded in 2010. In addition, in 2018, the Company applied the International Financial Reporting Standard 9 (IFRS 9) which resulted in provisions for certain assets amounting to AED 661 million, which were recorded in the opening balance of accumulated losses as on 1/1/2018. Furthermore, in the year ended 31 December 2020, the Company has incurred losses of AED 216.9 mainly due to impairment and fair value loss adjustments in its hospitality assets as a result of Covid-19 pandemic, which has either directly or indirectly impacted all businesses but hospitality and tourism are one of those most affected.
Measures to be taken to address accumulated losses:	In previous years the company worked on completing all existing projects and launch new projects that have seen high selling rates in addition to strengthening the company's portfolio of assets, where the company now has three projects in the hospitality sector which will contribute to increasing the revenues in the coming years, the company will continue to launch quality projects, and also keen to diversify its sources of income through property and facilities management services.


Amer Al Zu'bi
 General Counsel and Board Secretary