



Press Release

Amlak Finance announces Third Quarter 2022 financial results

- *Amlak Q3 2022 net group profit stands at AED 390 million*
- *Net assets up by 20% in nine months and stand at AED 1.4 billion*
- *Debt settlement arrangements yielded AED 388 million gain and contributed in total debt reduction of AED 970 million (including Mudaraba instrument of AED 207 million).*

Dubai, UAE: 14 November 2022: Amlak Finance PJSC today announced its Q3 2022 financial results. Amlak reported a net profit of AED 390 million in the first 9 months of 2022 as compared to net profit of AED 1,084 million for the same period 2021. The company focused on prudently managing its operations and balance sheet.

Amlak's total income for Q3 2022 decreased by 16% to AED 504 million as compared to AED 604 million, excluding a one-off arbitration settlement, during Q3 2021. Revenues from financing business decreased by 20% to AED 100 million during the first nine months of 2022 as compared to AED 126 million in the same period of 2021.

The company's asset and cash debt settlement arrangements through cash and assets remained successful during the period. The company recorded a gain of AED 388 million on debt settlement arrangements and was able to reduce its debt burden by AED 970 million (including Mudaraba instrument of AED 207 million).

Amlak's focus on efficient operations in 2022 delivered a 20% reduction in operating costs to AED 65 million in Q3 2022, compared to AED 81 million, excluding a one-off expense related to arbitration settlement, during the same period in 2021.

The company also continued to efficiently manage its obligations, including repayment of AED 89 million to financiers during the first nine months of 2022.

As a result of repayments and debt settlement arrangements, the profit distribution to financiers decreased by 16% and stood at AED 56 million for Q3 2022 as compared to AED 67 million for Q3 2021. The company also recorded lower amortisation cost of AED 114 million in Q3 2022 compared to AED 125 million in Q3 2021. The amount of amortisation represents the unwinding of fair value gains on initial recognition of investment deposits and varies according to the extent of repayment and settlements made to the financiers in any reporting period.

During the first nine months of 2022, the Group recorded an impairment reversal of AED 107 million compared to an impairment reversal of AED 155 million in Q3 2021.

- Ends -



Amlak Finance PJSC

Since its establishment in November 2000 as the region's pioneer financial services provider, Amlak Finance has provided its customers with innovative, Sharia-compliant property financing products and solutions designed to meet the rapidly evolving market demands.

For more information, please visit www.amlakfinance.com

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