

## Union Properties Successfully Completes AED 595 million Debt Restructuring

- *Restructuring plan includes repayment of AED 223 million to lenders*
- *Drives significant improvement to profitability and cash flows*
- *Unlocks potential for additional financing for future real estate developments*



**Dubai, UAE – October 18, 2022:** Union Properties PJSC (“Union Properties” or the “Company”) (DFM symbol: UPP) announces the successful completion of a AED 595 million debt restructuring, including the repayment of AED 223 million to lenders, as part of a comprehensive restructuring plan agreed by all parties.

The restructuring marks a major milestone in the Company’s turnaround strategy which was announced during the first quarter of 2022. Following the restructuring, Union Properties will benefit from significantly improved profitability and cash flow generation as the agreed plan effectively reduces financing costs. Additionally, the company’s strengthened balance sheet unlocks its ability to raise additional financing for future real estate developments whilst also enabling the company to consider new value creation opportunities.

**Mr. Amer Khansaheb, Board Member and Managing Director of Union Properties, commented:** *“The successful completion of our debt restructuring process is an important milestone in Union Properties turnaround strategy, placing us on a firm foundation to drive future growth and value creation for our shareholders. With a bolstered balance sheet and improved free cash flows, we are now in a strong position to leverage our deep expertise, reputation and highly sought-after land bank locations.*

*“The strong performance and outlook for the UAE’s real estate market provides significant opportunities for Union Properties, including the potential for new real estate developments.”*

Union Properties’ management remains focused on improving the efficiency of the business and driving cost synergies across its subsidiaries and is confident in its debt servicing abilities going forward. The strong brand of the group and its subsidiaries is being leveraged to accelerate growth and capture emerging opportunities created by the positive momentum in the UAE’s economy and real estate market. Union Properties also continues to focus on driving improvements in its governance and internal controls as it moves forward in its turnaround strategy.

-ENDS-