

Press Release

Union Properties announces the commencement of the execution of the Settlement Agreement with former Chairman

Dubai, October 4, 2023:

Union Properties PJSC has announced the commencement of the execution of the Settlement Agreement previously entered with Mr. Khalifa Al Hammadi, the former Chairman of the Company, members of his family and other.

This significant step follows the official signing of the side agreements with the Custodian and Escrow Agent and receiving approval from the majority shareholders during Union Properties' Annual General Meeting (AGM) held on April 17, 2023, to enter into a settlement agreement with Mr. Khalifa Al Hammadi, the former Chairman of the Company, members of his family and other. According to this agreement, a settlement amount totalling AED620 million will be paid to Union Properties through a structured instalment plan. This significant step marks a crucial milestone in the Company's ongoing efforts as part of its recovery strategy and a key milestone in the Company's efforts to execute its turnaround strategy.

Engineer Amer Khansaheb, Board Member and Managing Director, Union Properties, PJSC, said: “We are pleased to announce that the Settlement Agreement between Union Properties and former Chairman Al Hammadi is being executed. We believe that this progress marks a significant turning point for Union Properties and will enable us to refocus our efforts on the core business and strategic growth initiatives. The Company remains dedicated to its shareholders and stakeholders and will continue to work diligently to resolve outstanding matters in a transparent manner.”

This agreement took time to be finalised due to detailed reviews by the Custodian, Escrow Agent, and other external parties before signing the agreements, as the Custodian and the Escrow Agent have standards that must be adhered to.

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