



Sunday 24, June 2012 by Robin Amlôt

Daman Investments concludes private placement for 22.7 per cent of company

Daman Investments has announced the successful completion of a capital increase through a private placement with an investment of AED 99,999,950 as the company moves forward with future plans culminating with an Initial Public Offering (IPO). The shares were issued at a 70 per cent premium, above their nominal AED 100, valuing the company at AED 440 million.



Dubai's Daman sells 22.7 percent stake, says near to IPO

Sun, Jun 24 2012

DUBAI (Reuters) - Daman Investments, the Dubai-based investment management company, sold a 22.7 percent stake through a private placement which values the firm at 440 million dirhams (\$119.8 million) and said it eventually plans to offer shares to the public.

Daman, which is active in asset management, raised 100 million dirhams from the sale, by offering 588,235 new shares at 170 dirhams each, the company said in a statement Sunday. No details were given on who bought into the offering.

The sale was part of the firm's strategy to broaden its shareholder base before an eventual initial public offering in the United Arab Emirates.

"The accomplishment of a successful IPO to be listed on one of the markets in the UAE is the clear and focused objective of Daman's medium-term strategy," Shehab Gargash, chief executive of Daman Investments, said.

In 2009, Daman said it had attracted a strategic investor who committed to invest 100 million dirhams in the company, and was moving ahead to secure additional equity investment of about 200 million dirhams.

But that fundraising valued Daman at about 850 million dirhams, nearly double the current valuation, signaling the extent to which investment firms in the UAE have suffered post the global financial crisis.

Dubai's benchmark index .DFMGI has fallen 76.9 percent since its 2008 peak, while Abu Dhabi's exchange .ADI has dropped 51.9 percent in the same time frame.

IPO activity in the UAE has also been scarce since the global financial crisis, with market volatility and a reluctance among retail investors, burnt by the collapse in stock prices from their pre-crisis peak, being cited as the main reasons for the lack of new public offerings.

The last listing on the Dubai benchmark was Drake & Scull DSI.DU in March 2009, while the Abu Dhabi index has only seen a couple of minor sales since 2008 - the largest being Eshraq Properties' ESHR.AD 55 percent offering in May 2011, which raised 825 million dirhams. (\$1 = 3.6730 UAE dirhams)

(Reporting by David French; Editing by Dinesh Nair)



Daman raises Dh99.99m through private placement

25 June 2012

Daman Investments on Sunday announced the successful completion of a capital increase through a private placement with an investment of Dh99.99 million as the company moves forward with future plans culminating with an Initial Public Offering , or IPO.

Based on a subscription share value of Dh170 per share, the addition of capital to Daman Investments signifies a 100 per cent fully subscribed round and sees the total number of issued shares rise from 2,000,000 to 2,588,235, with 588,235 additional shares issued in this phase of fund raising.

All necessary regulatory approvals were obtained in May 2012 to officially conclude the capital increase.

“The success of the capital raise at a premium is a very clear indicator of the value of Daman, and the robust nature of the UAE market, in the midst of one of the most severe crises the world has ever seen. Daman Investments continues to eye launching a future Initial Public Offering based on improved market conditions,” Shehab Gargash, chief executive officer of Daman Investments, said.

“The accomplishment of a successful IPO to be listed on one of the markets in the UAE is the clear and focused objective of Daman’s medium-term strategy. We are fully intent on bringing to fruition our ambition for Daman Investments to emerge as a leading Arab financial management firm, growing within the region’s rapidly evolving financial services industry,” Gargash commented.

The new share issuance represents 22.7 per cent of the combined total capital base of the company, and values the company at approximately Dh440 million.

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Press Release: Daman Investments successfully completes private placement for 22.7% of company

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Daman Investments PSC, one of the UAE-based regional investment management companies, has announced the successful completion of a capital increase through a private placement with an investment of Dhs99,999,950 as the company moves forward with future plans culminating with an Initial Public Offering (IPO).