

## EMIRATES REIT SUCCESSFULLY CLOSES USD 380 MILLION SUKUK ISSUANCE

- 99% approval from 88% of votes ensures approval of proposed refinancing during vote for all sukuk certificate holders
- New refinancing process endorses business plan and underlying valuation of portfolio assets
- Deal allows Emirates REIT to progress development and growth plans

**Dubai, 14 December 2022** – Equitativa (Dubai) Limited, the manager of Emirates REIT, has announced the successful completion of a USD 380 million sukuk issuance to refinance the USD 400 million sukuk issued in 2017. More than 88% of the existing certificate holders participated in the consent solicitation, with more than 99% voting in favor of the proposed refinancing.

**Thierry Leleu, CEO of Equitativa, said:** “The company is delighted to have successfully completed the refinancing of the sukuk issued in 2017, with the overwhelming support from our sukuk holders. This solid approval allows the business to now move forward into 2023 and beyond. The post pandemic environment in Dubai represents an attractive opportunity for the REIT to cement its leading position in the market, whilst at the same time taking advantage of the buoyant commercial real estate market and new opportunities in areas such as logistics and education.”

**Arun Reddy, Managing Director of Houlihan Lokey, said:** “The almost unanimous sukuk holder approval represents a highly successful result for all of the parties concerned and provides an opportunity for the business, the certificate holders and all stakeholders involved with Emirates REIT to move the organisation forward in a very positive manner. We are extremely pleased that the overall investor engagement process also allowed the sukuk holders to gather their own view of the go forward business plan and endorse the underlying valuations of the REIT.

The company is one of a small number of successful REITs operating in the region and has the ability to develop its services further in a vastly improving real estate sector. There will be greater opportunities ahead that all parties concerned will be able to realise and the conclusion of this refinancing is the start of a new chapter.”

The agreed terms for the New Secured Certificates embedded several new features, including a fully secured position and a profit rate increase from 5.125% to 9.5% which reflects the current credit environment with rising inflation, profit rates and market volatility. They will have a new maturity date of December 2024, with a one-year extension option.

Emirates REIT has been enhancing its financial and operational performance over the last two years, increasing occupancy and rental rates while retaining a strong focus and discipline on cost and expense management. This included a self-imposed management fee reduction during the Covid period. At its recent results announcement for 9M

(1) On a like-for-like basis, excluding Jebel Ali School from 3Q 2021 occupancy

2022, net profit had again increased 39.9% year-on-year to USD 69.0 million, driven by an unrealized gain on portfolio revaluation of USD 61.5 million during the period. The value of the REIT's portfolio at the end of 9M 2022 was USD 766.3 million, representing a 12.4% increase year-on-year, normalizing for the impact of the asset disposal during the period.

The company has consistently improved its occupancy rates this year and has attracted new tenants across the portfolio including Durham School, the law firm, Watson Farley & Williams and Smart Salem which has opened a medical fitness centre in Index Mall.

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Media enquiries: John Greenway, Teneo, +971 585650626.

The link confirming the admission to trading of the new sukuk certificates is available from the Euronext Dublin website at: <https://live.euronext.com/en/product/bonds-detail/29796/overview>

**ABOUT EMIRATES REIT:** Emirates REIT, (Nasdaq Dubai: REIT; ISIN: AEDFXA1XE5D7), is a Dubai-based real estate investment trust investing principally in income-producing real estate in line with Shari'a principles. It currently owns a well-balanced portfolio of 10 assets in the commercial, education and retail sector. Emirates REIT benefits from exclusive Ruler's Decrees permitting it to purchase properties in onshore Dubai and Ras Al Khaimah.

**ABOUT EQUITATIVA GROUP:** The Equitativa Group is a leading regional asset manager focused on creating and managing real estate investment trusts (REITs). The group offers innovative risk-adjusted, income generating financial products that cater to institutional and retail investors. As the founder of the UAE's first Shari'a compliant REIT, Emirates REIT, Equitativa is today one of the largest REIT managers in the Gulf Cooperation Council (GCC) countries and one of the biggest REIT Managers for Shari'a Compliant REITs in the world. In the UAE, Equitativa manages two leading REITs: Emirates REIT and The Residential REIT, the latter incorporated in Abu Dhabi Global Market.