

EMIRATES REIT CONFIDENT THAT MAJORITY OF SUKUK HOLDERS WILL SUPPORT REVISED TERMS

01 June 2021

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- Sukuk price has rallied 8 basis points, or 12%, since revised Sukuk terms proposed, reflecting positive market sentiment
- Certificate holders to benefit from significantly improved tradability and security
- Views of minority group of Sukuk investors does not represent Emirates REIT debt holders many of whom have already voted in support of the proposed transaction
- Emirates REIT confirms it has sufficient liquidity to meet the upcoming Sukuk profit distribution, if required

Dubai, 1 June 2021 – Equitativa (Dubai) Limited (“Equitativa”), manager of Emirates REIT (CEIC) PLC (“Emirates REIT” or the “REIT”), said Tuesday that the large majority of Sukuk holder’s that have voted were in support the company’s exchange offer of its Shariah compliant bonds due in December 2022 and encouraged all certificate holders to vote by 7 June, 11am BST.

As of 26 May, close to 60% of the Sukuk holders had cast their vote, with more than 75% of those votes in favour of the Consent Solicitation Memorandum (CSM) presented. The CSM is a voluntarily proposed transaction that is designed to provide Sukuk holders with the opportunity to exchange an unsecured Sukuk for a new secured Sukuk on a dollar-for-dollar basis. The company is providing all available security to the Sukuk holders as part of this exchange. The company has also proposed to maintain the existing 5.125% profit rate for the new secured sukuk.

While a minority Sukuk holder group has been formed, the company does not believe it is reflective of the Sukuk holder group as a whole, many of which have already voted in favour of the offer. In addition, the board rejects the minority group’s demand for Emirates REIT to pay for their legal and financial advisory fees, services which the group independently sought.

Arun Reddy, Managing Director at investment bank Houlihan Lokey, an advisor to Emirates REIT said: “We regard the proposal put forward to certificate holders as a very straightforward and voluntary amend and extend transaction which has been fairly and explicitly designed with the interests of Sukuk holders in mind. The fact that the Sukuk has rallied 8 basis points, or 12%, to 70 pts (as of 27 May 2021) vs 62 pts (as of 17 May 2021) since we tabled our proposal shows the market is both supportive and positive on the transaction.

Mr. Reddy added, “While we welcome the minority Sukuk group’s participation in the offer, to date it has not yet provided any detailed or specific amendments to the transaction that will benefit the long-term growth of the company and both its debt and equity shareholders as a whole.”

In a report published last week, ratings firm Fitch confirmed that Emirates REIT maintains sufficient liquidity to meet its June 2021 Sukuk profit distribution, if required. Further to this, Emirates REIT confirms its liquidity position is adequate to meet the upcoming Sukuk profit payment.

The company also believes that the minority Sukuk holder group is potentially misleading the general body of the sukuk holders by referring to the language in the CSM relating to waiver of past defaults. The company again confirms that there is no event of default or dissolution event. The proposed waiver language is customary language in an exercise of this nature, to ensure that the new certificates are issued without the risk of any perceived event of default under the old certificates. The old certificates will in any event be extinguished once the new certificates are issued.

Emirates REIT encourages all Sukuk holders to vote by early next week. Consent Solicitation for Sukuk holders remains open until 11am BST on 7 June. Consenting Sukuk holders will benefit from a 50bps consent fee if their confirmation of the voluntary deal is received by the deadline.

– END –

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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 11 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 manager 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.

DISCLAIMER: This announcement must be read in conjunction with the Memorandum. The Memorandum contains important information which should be read carefully before any decision is made with respect to the Consent Solicitation. If any Certificate holder is in any doubt as to the action it should take or is unsure of the impact of the implementation of the Proposal, it is recommended to seek its own financial, legal and Shari'a advice, including in respect of any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, tax, legal or Shari'a adviser. Any individual or company whose Certificates are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to participate in the Consent Solicitation or otherwise participate in the Proposal.

DISTRIBUTION RESTRICTIONS - UNITED STATES: The Consent Solicitation will only be made to, and the New Secured Certificates will only be issued to, holders or beneficial owners of the Certificates that are: (a) within the United States, qualified institutional buyers within the meaning of, and pursuant to, Rule 144A under the Securities Act, or AIs in reliance on the exemption from registration under Section 5 of the Securities Act provided by Section 4(a)(2) or another exemption therefrom, who are in each case also QPs, and (b) non-U.S. Persons in offshore transactions as defined in, and in reliance on, Regulation S. PAGE 1 OF 2 Each eligible Certificate holder participating in the Consent Solicitation will be required to represent to Emirates REIT, the Trustee, the Delegate, the Principal Paying Agent and the Tabulation Agent that it is (a) (i) not a U.S. Person, is located and resident outside the United States and is participating in the Consent Solicitation from outside the United States or (ii) (A) is acting on behalf of the beneficial owner of the Certificates on a non-discretionary basis and has been duly authorised to so act and (B) such beneficial owner has confirmed to it that it is not a U.S. Person, it is located and resident outside the United States and it is participating in the Consent Solicitation from outside the United States; or (b) (i) a QP and (ii) a QIB or an AI, and can receive the New Secured Certificates in reliance on the exemption from registration under Section 5 of the Securities Act provided by Rule 144A, Section 4(a)(2) or another exemption therefrom.

GENERAL: This announcement does not constitute an offer to buy or a solicitation of an offer to sell Certificates or New Secured Certificates in, or from, any jurisdiction in, or from, which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities laws or otherwise. The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required by Emirates REIT, the Trustee, the Delegate, the Agents, the New Security Agent and the Tabulation Agent (each as defined below) to inform themselves about, and to observe, any such restrictions. No action that would permit a public offer has been or will be taken in any jurisdiction by Emirates REIT, the Trustee, the Delegate, any Agent, the New Security Agent or the Tabulation Agent.