TECOM GROUP SECURES REFINANCING FOR EXISTING LOAN FACILITY AT MORE FAVOURABLE TERMS

- *New Five-year unsecured loan refinanced at a competitive rate and favourable terms, that will enhance cash flow profile.*
- *The facility provides TECOM with financial flexibility with a bullet payment profile and availability to draw down until maturity.*
- *Abdulla Belhoul: Securing the new facility reinforces TECOM's ability to leverage its strong financial performance and market leadership position to capitalise on ample liquidity in the UAE banking sector*

Dubai, UAE, 14 June 2023 – TECOM Group PJSC (DFM: TECOM), (the "Company" or the "Group"), the creator of specialised business districts and vibrant communities, today announced it has entered into a new five-year AED 7.6 billion unsecured loan facility (the "Facility") replacing the existing partially utilised term loan of AED 7.6 billion. The Facility will have a positive impact on the Company's cash flow profile while providing it with the funds to execute its growth strategy.

The facility has been secured at more favourable terms, leading to immediate interest expense saving over the five-year period. The Facility provides drawdown flexibility till maturity and also increases the duration. It is split into an AED 4.4 billion term loan, which is equivalent to the amount that has already been drawn down from the previous agreement, and an AED 3.2 billion revolving credit facility, equivalent to the existing undrawn amount. The Facility has a bullet principal repayment structure, with the principal amount repaid at maturity.

Abdulla Belhoul, Chief Executive Officer, TECOM Group, said: "*The new facility will provide us with greater financial flexibility, lower our borrowing costs, and enhances our leverage position. Importantly it enables us to invest in the growth of our business to unlock greater value for our shareholders.*
The new facility demonstrates our ability to leverage our strong financial standing and performance, market reputation and leadership position within the commercial real estate segment to take advantage of the ample liquidity in the UAE banking sector. Furthermore, securing the loan at more favourable terms is a reflection of the confidence the financial community has in our business and growth plans."

Michael Wunderbaldinger, Chief Financial Officer, TECOM Group, said: *"Through our proactive efforts and prudent approach to optimise our cost of capital, we have entered into a loan agreement that will have an accretive impact on our bottom line. The new facility will also lower our financial costs, improve our cash profile and is more aligned with our funding needs over the coming period."*

Abu Dhabi Commercial Bank PJSC, Emirates NBD Capital Limited, and Dubai Islamic Bank PJSC are the Joint Mandated Lead Arranger for the new facility."

---ENDS---

TECOM Group, a DFM-listed company trading under the ticker TECOM, has an integrated portfolio of real estate assets, spread across 10 strategically located business districts in Dubai. These business districts serve 6 industry sectors. We refer to each sector we serve as a *Cluster*, which consists of one or more business districts operating in the same industry.

- **Technology Cluster**: Consists of *Dubai Internet City* and *Dubai Outsource City*.
- **Media Cluster:** Consists of *Dubai Media City*, *Dubai Studio City* and *Dubai Production City*.
- **Education Cluster**: Consists of *Dubai International Academic City* and *Dubai Knowledge Park*.
- **Science Cluster**: Consists of *Dubai Science Park*.
- **Design Cluster**: Consists of *Dubai Design District*.
- **Manufacturing Cluster**: Consists of *Dubai Industrial City*.

More broadly, the Company provides real estate solutions across three segments: *Commercial Leasing*, *Land Leasing* and *Industrial Leasing*.

- **Commercial Leasing.** TECOM Group provides state of the art built-to-lease (BTL) and built-to-suit (BTS) properties across office and retail spaces including purpose-built business centres and HQs tailored to customer specifications as well as industry specialised facilities (e.g. sound stages, film studios, university campuses, lab facilities, etc.). Typically, BTL properties have a lease term of 1 to 5 years and BTS properties have lease terms of 10 years and over.
- **Industrial Leasing.** Warehouse space, showrooms and worker accommodation facilities utilised by large corporates and other businesses to accommodate their employees. Typically, lease terms for Industrial Leasing are 1 to 5 years.
- **Land Leasing.** Available land within our various business districts for which infrastructure (e.g. roads, water, electricity, sewage) is already in place or will be put in place allowing us to lease the land or utilise it for our planned future investments. Typically, lease terms for Land Leasing are between 30 to 50 years.

TECOM Group also provides an array of value-added government and business services (e.g. visa, immigration, licensing, etc.) including services promoting individual talent, start-ups and entrepreneurship through our dedicated platforms axs, in5, gofreelance, marketplace.ae and D/Quarters respectively, as well as advertising, property and venue management services specific to each industry / district. Collectively we refer to these services as **Services & Others**.

	MEDIA ENQUIRIES	**INVESTOR RELATIONS ENQUIRIES**
TECOM Group P.J.S.C	**Mutaz Albadri**	**Ghaith Zghaibi**
	media@tecomgroup.ae	ir@tecomgroup.ae
Brunswick Group	tecomgroup@brunswickgroup.com	