TECOM Group unlocks AED 2 billion in growth opportunities with strategic acquisition closure and new development launch

- *TECOM Group finalises acquisition of new commercial and industrial assets as part of an AED 1.7 billion strategic plan*
- *TECOM Group also announces development of Grade-A office spaces valued at AED 340 million in Dubai Internet City with the launch of Innovation Hub Phase 3*
- *Strategic expansion boosts TECOM Group's portfolio of commercial leasing GLA to over 10 million sq.ft., reinforcing the Group's role as a strategic driver in the business sector and cementing its leading position at the forefront of Dubai's commercial market*
- *The acquisition of additional land expands TECOM Group's managed land leasing portfolio to 179 million sq.ft., solidifying its central role in shaping the industrial landscape in Dubai and the UAE*

Dubai, UAE, 22 August 2024: TECOM Group PJSC (DFM: TECOM), (the "Company" or the "Group"), the creator of specialised business districts and vibrant communities, has completed the acquisition of new commercial and industrial assets as part of an AED 1.7 billion strategic plan that was announced in May 2024.

This milestone is in conjunction with TECOM Group's announcement to develop premium Grade-A office spaces worth AED 340 million at Dubai Internet City with the launch of Innovation Hub Phase 3, bringing the total value of Group's investments in 2024 to more than AED 2 billion.

The strategic plan raises TECOM Group's portfolio of high-quality commercial assets to exceed 10 million sq.ft. of gross leasable area (GLA) and its land leasing portfolio to 179 million sq.ft., reinforcing its role as a strategic driver in Dubai's business sector and its leading position at the forefront of the commercial and industrial real estate market.

"The new strategic acquisitions and projects worth AED 2 billion reflect TECOM Group's vision of fostering sustainable growth," said **Abdulla Belhoul, Chief Executive Officer of TECOM Group PJSC**. "TECOM Group is committed to continuing its pivotal role in bolstering the UAE's and Dubai's knowledge-based economy and shaping the future of business through our world-class ecosystems that attract and empower globally renowned companies and talent across our 10 specialised business districts.

"Dubai is a globally renowned business and investment hub that offers attractive economic opportunities and robust business frameworks for local and international investors across myriad sectors. Underpinned by Dubai Economic Agenda 'D33', our business model is fostering an environment conducive to sustainable growth and excellence for the long term."

Commercial office space expansion

Development of office spaces within Phase 2 of Dubai Design District (d3)

Reaffirming its leading position as the developer of premium workspaces in the city, TECOM Group has commenced the development of six Grade-A office buildings within Phase 2 of Dubai Design District (d3). The new development spans a gross floor area of 629,000 sq.ft. and represents a significant investment of AED 825 million.

The development will feature office spaces with stunning views of the Dubai skyline, including the iconic Burj Khalifa. It is designed to meet the needs of TECOM Group's existing and future clients and will accommodate growing customer demand, including from top-tier global companies, in the creative sectors. In addition to its sustainable buildings, the project will also include sports facilities, community spaces, ample parking, fine dining options, and an extended promenade, complementing the surrounding residential developments. The vibrant hub will promote a harmonious work-life balance within a dynamic community.

Commenting on the launch, **Abdulla Belhoul,** said: "Phase 2 of Dubai Design District (d3) is a landmark development that will significantly contribute to Dubai's thriving design, fashion, and creative sectors. Spanning a GLA of more than 500,000 sq.ft., this new office space will be built in line with LEED certification standards and is set for completion by H1 2028. It promises to deliver substantial long-term growth and further elevate our design sector's infrastructure, enabling d3 to attract global talent and solidify Dubai's position as a premier global centre for culture and creativity."

Development of Grade-A office spaces at Dubai Internet City

TECOM Group also announced the launch of Grade-A offices at Dubai Internet City with Innovation Hub Phase 3, an AED 340 million development that will address growing demand for high-quality commercial real estate in the city. Set for completion in mid-2027, Innovation Hub Phase 3 will offer premium office spaces and headquarters tailored to customer specifications across a GLA of more than 167,000 sq.ft.

The development follows Phase 2 of Innovation Hub, which offers a GLA of 366,000 sq.ft. and has been fully leased ahead of its scheduled delivery date of early-2025. Phase 1 of Innovation Hub continues to achieve full occupancy, serving as the regional headquarters for technology sector leaders from around the world.

Acquisition of two operational buildings at Dubai Internet City

The acquisition of two operational Grade-A office buildings at Dubai Internet City has been completed through an AED 420 million transaction that will add 334,000 sq.ft. of premium GLA to TECOM Group's commercial portfolio. The buildings enjoy a high occupancy rate supported by regional and international companies, ensuring positive contributions to the Group's revenue stream from this year.

Industrial portfolio grows

Aligned with Dubai's and the UAE's dynamic economic growth and transformative initiatives such as Operation 300bn, Make it in the Emirates, and Dubai Economic Agenda 'D33' that are nurturing the industrial and logistics sectors, Dubai Industrial City is cementing its position as the premier destination for the manufacturing sector.

TECOM Group is addressing increased demand for its world-class portfolio with the addition of a land bank spanning 13.9 million sq.ft. for industrial leasing at Dubai Industrial City through an AED 410 million transaction, raising its total managed land leasing portfolio to 179 million sq.ft. The additional land bank, for which the Group will start to recognise revenues within the course of the next 12 months, is attracting interest for long-term leasing purposes, confirming Dubai Industrial City's position as the region's leading hub for manufacturing and logistics customers from around the world.

Strong fundamentals

TECOM Group has continued to demonstrate solid performance across all business segments, driven by robust demand for its commercial and industrial assets from both existing and new customers and Dubai's continued economic growth, ability to attract greenfield FDI projects, and ease of doing business.

The new acquisitions significantly expand TECOM Group's portfolio, enabling its continued sustainable growth and further strengthening its strategic expansion plans, which are being funded through existing sources, including a revolving credit facility.

The Group will continue to maintain healthy leverage and liquidity position post transaction completion, with its solid financial position and improved credit terms providing the flexibility to seize strategic opportunities and support future growth.

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TECOM Group unlocks growth with **AED 2 billion** strategic investments to enrich Dubai's knowledge economy

Launch of d3 Phase 2 with **six Grade-A** office buildings

629,000 sq.ft.

Launch of **Innovation Hub** Phase 3

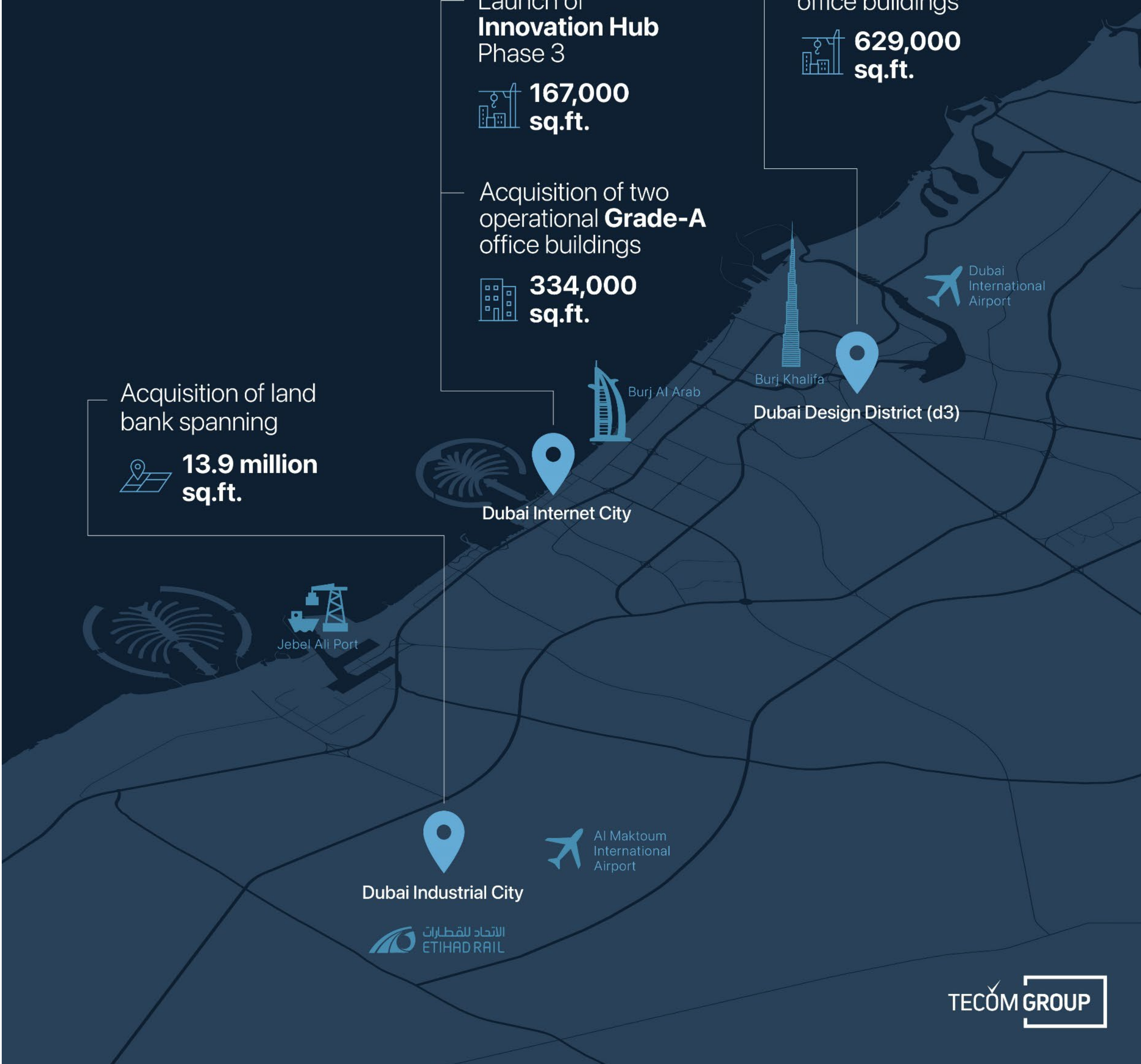
167,000 sq.ft.

Acquisition of two operational **Grade-A** office buildings

334,000 sq.ft.

Acquisition of land bank spanning

13.9 million sq.ft.



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