



ALDAR ISSUES USD 1 BILLION HYBRID NOTES IN LANDMARK TRANSACTION TO OPTIMISE CAPITAL STRUCTURE AMID RAPID GROWTH

- **The largest conventional hybrid issued in the Middle East, the transaction achieved the highest rating and tightest spread at issuance for a corporate hybrid in the CEEMEA region**
- **Issuance oversubscribed by 3.8 times with total orders exceeding USD 4.9 billion from a wide cross section of international institutional investors**
- **Enhances Aldar’s capital structure and financial strength, while providing flexibility as company drives accelerated growth across its property development and investment platforms**

Abu Dhabi, UAE – 09 January 2025: Aldar Properties PJSC (“Aldar”) has successfully priced its inaugural USD 1 billion hybrid capital issuance, attracting robust demand from a wide range of regional and international investors.

The issuance by Aldar at ‘PJSC’ level represents the largest conventional hybrid in the Middle East. The transaction also achieved the highest rating, and the tightest credit spread at issuance for a corporate hybrid in the Central & Eastern Europe, Middle East and Africa (CEEMEA) region.

The proactive and innovative initiative introduces a hybrid layer to Aldar’s capital structure for the first time, reinforcing the company’s strong balance sheet and credit profile, while enhancing financial stability and resilience. Proceeds will support the continuation of Aldar’s transformational growth plan and its strategic priorities, including landbank replenishment and expansion, develop to hold portfolio, and acquisitions.

Underscoring strong investor confidence in Aldar’s financial strength, strategic direction and potential for growth and value creation, the issuance was oversubscribed by 3.8 times. Total orders exceeded USD 4.9 billion from a wide range of institutional investors across diverse geographies. The final allocation comprises investors from the Middle East and North Africa (41%) the United Kingdom (38%), Europe (9%), North America (8%) and Asia (4%).

Faisal Falaknaz, Group Chief Financial and Sustainability Officer at Aldar, said: “The strong appetite for this issuance from a broad base of international institutional investors is a statement of confidence in Aldar’s vision and strategic direction. The company has carved a credible and proven track record of delivering measured and sustainable growth, and this landmark hybrid issuance supports the continued execution against our growth ambitions by



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further optimising our capital structure, setting firm foundations for Aldar to pursue a strategy to deliver significant value creation for all our stakeholders in the coming years.”

With characteristics of debt and equity, the unsecured, subordinated 30.25-year notes provide investors with an initial yield of 6.625% with a non-call period extending to 7.25 years. The coupon payments, which will be distributed semi-annually, may be deferred for up to five years and are both cumulative and compounding, providing additional flexibility to Aldar’s capital structure.

In January 2025, Moody’s reaffirmed Aldar’s Baa2 credit rating with a stable outlook and assigned a standalone credit rating of Baa3 to the hybrid notes. This rating reflects Aldar’s robust financial position, strong standing in the market, and the innovative structure of the issuance, which for ratings purposes is treated as equity and debt in equal measure. However, as a debt instrument, the issuance is both non-dilutive and accretive for Aldar equity investors, with proceeds used to pay down senior debt to enhance Aldar’s overall credit profile while preserving debt capacity to support its upcoming growth initiatives and pipeline.

Marketed under Regulation S, the issuance was globally led and coordinated by Citi with Abu Dhabi Commercial Bank, Bank of China, Emirates NBD Capital, First Abu Dhabi Bank, HSBC, Intesa Sanpaolo, J.P. Morgan, Mashreq, National Bank of Ras Al Khaimah, and Standard Chartered acting as joint lead bookrunners.

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About Aldar

Aldar is the leading real estate developer, manager, and investor in Abu Dhabi, with a growing presence across the United Arab Emirates, the Middle East North Africa, and Europe.

The company has two core business segments, Aldar Development and Aldar Investment.

Aldar Development is a master developer of a 62 million sqm strategic landbank, creating integrated and thriving communities across Abu Dhabi, Dubai, and Ras Al Khaimah’s most desirable destinations. The delivery of Aldar’s developments is managed by Aldar Projects, which is also a key partner of the Abu



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Dhabi government in delivering housing and infrastructure projects across the UAE's capital. Internationally, Aldar Development wholly owns UK real estate developer London Square, as well as a majority stake in leading Egyptian real estate development company, SODIC.

Aldar Investment houses a core asset management business comprising a portfolio of more than AED 37 billion worth of investment grade and income-generating real estate assets diversified across retail, residential, commercial, logistics, and hospitality segments. It manages four core platforms: Aldar Investment Properties, Aldar Hospitality, Aldar Education, and Aldar Estates.

For more information on Aldar please visit www.aldar.com or follow us on:

