

AED 200 million interim cash dividend approved in TECOM Group General Assembly Meeting

Dubai, UAE, 14 November 2022 – TECOM Group PJSC (DFM: TECOM), (the “Company” or the “Group”), the creator of specialised business districts and vibrant communities, today announced shareholder approval of the proposed interim dividend payment of AED 200 million (4.0 fils per share) following its first General Assembly Meeting since listing on the Dubai Financial Market (DFM) on 5 July 2022.

The approved AED 200 million cash distribution is in line with the Group’s previously announced dividend policy of distributing AED 800 million annually, to be distributed in semi-annual payments, to shareholders through to October 2025. All matters related to future dividend distribution will be subject to Board of Director’s recommendation and shareholders’ approval.

Malek Al Malek, Chairman of TECOM Group, said: “TECOM Group has sustained its strong performance since the start of the year in line with the sharp rise in demand in the commercial and industrial real estate market in Dubai. This buoyancy is underpinned by the economic expansion and the government’s initiatives to promote further growth and excellence, enhance the ease of doing business and attract top global talent and foreign direct investment.”

“Per the Board of Directors’ recommendation and the subsequent approval of our shareholders, we are delighted to announce the distribution of interim cash dividends in line with the dividend policy previously outlined in the IPO prospectus,” he added.

TECOM Group intends to distribute cash dividends as follows:

- October 2022: AED 200 million
- April 2023: AED 200 million
- October 2023: AED 400 million
- April 2024: AED 400 million
- October 2024: AED 400 million
- April 2025: AED 400 million
- October 2025: AED 400 million

TECOM Group reported strong financial performance for the first nine months of 2022, with net profit increasing 51% year-on-year (YoY) to AED 639 million. These robust results were underpinned by the double-digit growth in revenue driven by high occupancy levels, lower operational expenses due to operational efficiency measures and lower financial costs thanks to prudent financial management.

The Company's Funds from Operations (FFO), a measure of its cash from operations, was AED 864 million for the nine-month period (AED 1,228 million over the last twelve months), a 34% YoY increase, demonstrating the Company's successful continued focus on driving quality revenues amid an improving economic backdrop.

With a varied and tailor-made leasing portfolio, which includes offices, co-working spaces, warehouses, and land, TECOM Group caters to over 7,800 customers and more than 100,000 professionals. The Group also offers additional value-added services to deliver a competitive and attractive environment for businesses and entrepreneurs to thrive in and to facilitate engagement between the districts' community members.

TECOM Group acts as a key contributor to Dubai's economic diversification and development, attracting leading international corporations, entrepreneurs and specialised talent to the Emirate's global business hub.

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About TECOM Group

TECOM Group 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 the *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.
- **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.
- **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.

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**.