



Apollo to Invest in Aldar Through Landmark US\$1.4 Billion Transaction

- **Will be one of the largest foreign direct investments into Abu Dhabi's private sector, reinforcing the strength of its real estate market and Aldar's market-leading position**
- **Apollo to take direct minority stake in Aldar Investment Properties with a US\$400 million equity investment**
- **US\$500 million investment into a new land joint venture with Aldar for a portion of Aldar's 65 million sqm landbank**
- **Apollo to invest US\$500 million of Perpetual Subordinated Notes issued by Aldar Investment Properties representing the region's largest-ever corporate hybrid private placement**

Abu Dhabi, UAE – 14 February 2022: Aldar Properties PJSC ("Aldar") and Apollo Global Management ("Apollo") (NYSE: APO), one of the world's largest alternative investment managers, have signed a landmark commitment that will see Apollo-managed funds and clients invest a total of US\$1.4 billion in strategic capital to drive Aldar's transformational growth initiatives.

The commitments are structured in the following components:

- US\$500 million: Investment into a land joint venture
- US\$500 million: Perpetual Subordinated Notes issued by Aldar Investment Properties
- US\$300 million: Mandatory Convertible Preferred Equity investment in Aldar Investment Properties
- US\$100 million: Common Equity investment in Aldar Investment Properties

The US\$500 million land joint venture will allow Aldar to realise long-term value tied up in its vast landbank, whilst maintaining flexibility to develop or sell the land as per Aldar's long-term development strategy.

As part of the deal, Apollo will take a direct minority stake in Aldar Investment Properties at its Net Asset Value, highlighting the underlying strength of its asset base and Apollo's conviction in the company's growth strategy, management capabilities, and ability to capitalize on accretive opportunities that lie ahead. Aldar Investment Properties is rated Baa1 by Moody's, the highest credit rating for a non-government corporate in the region.

This investment, for both Aldar Investment Properties and Aldar Group demonstrates the company's ability to attract institutional capital into its real estate platforms. It also showcases an ability for Aldar and Apollo to execute innovative, diverse capital solutions as evidenced by Aldar's first-ever issuance of perpetual subordinated notes and the largest hybrid private placement in the MENA region with the longest non-call period.

Commenting on the transaction, **Talal Al Dhiyebi, Group Chief Executive Officer at Aldar Properties**, said: "This landmark transaction is a signal to the world's investment community that Abu Dhabi's real estate market is on a growth trajectory, supported by significant economic and social reforms, and a

world leading response to Covid-19. Aldar's ability to attract a long-term partner such as Apollo, underscores the strength of Aldar's business franchise as well as the quality and investment appeal of the Abu Dhabi real estate market, both of which are driven by robust fundamentals underpinning long-term economic growth."

The transaction follows the successful social and economic reforms that have been implemented by the Abu Dhabi Government that have enhanced the Emirate's appeal and attractiveness as a go-to and leading investment destination for institutional and international investors such as Apollo. The strategic and long-term outlook of Apollo's investment endorses both the fundamentals of the Abu Dhabi real estate market and Aldar as a platform for excellence and continued growth. The long-term deal, which will see Apollo and Aldar look at further opportunities in the future, will enable Aldar to accelerate and press forward with its transformational growth agenda.

As a result of the transaction, which is expected to close by the end of Q1 2022, Aldar will receive significant cash proceeds that are earmarked to drive our transformational growth agenda as we look to accelerate the effective deployment of capital across our robust pipeline of development and value investment opportunities.

Jassem Busaibe, Chief Executive Officer at Aldar Investment, added: "Diversifying our investor base and establishing partnerships is a key tenet of our growth strategy and is essential in enabling us to build scale, enhance asset diversification, and drive earnings growth. We wholeheartedly welcome Apollo as a long-term strategic investor and look forward to collaborating in order to grow our portfolio through additional value and yield accretive acquisitions. This transaction enables us to add further scale to our business and forms a critical milestone of our upcoming growth journey."

Apollo Chief Executive Officer Marc Rowan said, "Apollo is pleased to serve as a long-term capital partner to Aldar and to continue expanding our strategic investments and partnerships in Abu Dhabi, and across the United Arab Emirates. Leveraging our global integrated investment platform and permanent capital base, we were able to structure a capital solution to support Aldar's transformational growth agenda while allowing our investors to access highly attractive, long-dated yield."

The Aldar investment marks Apollo's latest commitment to Abu Dhabi and the UAE. It follows on a 2020 strategic partnership with Mubadala Investment Company, as well as a long-term joint venture with ADNOC in which Apollo funds and clients led a \$2.7 billion investment in a real estate JV.

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About Aldar

Aldar Properties PJSC is the leading real estate developer and manager in the UAE with a diversified and sustainable operating model centered around two core businesses: Aldar Development and Aldar Investment.

Aldar Development is a master developer of integrated, liveable, and thriving communities across Abu Dhabi's most desirable destinations, including Yas Island, Saadiyat Island, Al Raha, and Reem Island. It is responsible for developing Aldar's c. 65 million sqm land bank and includes three businesses: Aldar Projects, which manages Aldar's fee-based development management business, including AED 45 billion of government housing and infrastructure projects; Aldar Ventures, which incubates and nurtures new business opportunities and innovation areas; and Aldar Egypt, the platform focused on developing mixed-use communities in Egypt.

Aldar Investment houses Aldar's core asset management business comprising over AED 20 billion portfolio of investment grade and income-generating real estate assets diversified across retail, residential, commercial and hospitality segments. It also manages three core platforms: Aldar Education, Aldar Estates and Aldar Hospitality and Leisure. Aldar Education includes Aldar's entire educational portfolio, including Aldar Academies, the leading education group in Abu Dhabi, with 20 schools, over 26,000 students and a growing network of 3,000 educators from over 100 nationalities, offering a wide range of curriculum and ancillary services such as a Teacher Training Academy. Aldar Estates consolidates Aldar's Retail Operations alongside existing Residential and Commercial real estate operations within Provis and will further include Community Management under one integrated property management platform. Aldar Hospitality and Leisure looks after Aldar's portfolio of hotel and leisure assets, which are anchored around Yas Island and Saadiyat. It includes Aldar's portfolio of 10 hotels, comprising over 2,900 hotel keys and managing operations across golf courses, beach clubs and marinas.

Aldar's shares are traded on the Abu Dhabi Securities Exchange (Stock quote: ALDAR:UH), and is a profitable, cash generative business that provides recurring revenues, and benefits from a diverse and supportive shareholder base. Aldar operates according to high standards of corporate governance and is committed to operating a long term and sustainable business in order to provide ongoing value for its shareholders.

Aldar is driven by a vision to be a leading real estate developer and manager in the region by playing a key role in the development of quality, comfortable, desirable destinations that people can live in, work at and visit.

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



About Apollo

Apollo is a global, high-growth alternative asset manager. In our asset management business, we seek to provide our clients excess return at every point along the risk-reward spectrum from investment grade to private equity with a focus on three business strategies: yield, hybrid, and equity. For more than three decades, our investing expertise across our fully integrated platform has served the financial return needs of our clients and provided businesses with innovative capital solutions for growth. Through Athene, our retirement services business, we specialize in helping clients achieve financial security by providing a suite of retirement savings products and acting as a solutions provider to institutions. Our patient, creative, and knowledgeable approach to investing aligns our clients, businesses we invest in, our employees, and the communities we

impact, to expand opportunity and achieve positive outcomes. As of December 31, 2021, Apollo had approximately \$498 billion of assets under management. To learn more, please visit www.apollo.com.

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