



MUBADALA, ALDAR AND ARES ESTABLISH NEW STRATEGIC PARTNERSHIP TO JOINTLY INVEST US \$1 BILLION IN EUROPEAN PRIVATE REAL ESTATE CREDIT

- Mubadala will hold a 50% stake in the new platform, while Aldar will hold 30% and Ares 20%.
- Aldar will also invest an additional US \$100 million into an existing platform established by Mubadala and Ares in 2021.

Abu Dhabi, UAE/New York, USA – 13 December 2023: Aldar Properties ('Aldar'), Mubadala Investment Company ('Mubadala') and Ares Management ('Ares') today announced that they have entered into a new partnership to jointly invest US \$1 billion in private real estate credit opportunities in the United Kingdom and Europe over the next three to five years. As part of this transaction, Mubadala will hold a 50% stake in the new platform, with 30% held by Aldar and the remaining 20% by Ares.

Additionally, Aldar will invest US \$100 million into an existing European private real estate credit strategy first established by Mubadala and Ares in 2021, which focuses on senior secured debt with a first lien on physical real estate assets, including office, multifamily residential, industrial, retail, and hospitality. Over time, the Ares European Real Estate Debt strategy is expected to upsize to approximately US \$2 billion in capital commitments from Mubadala, Aldar and Ares funds. Including anticipated leverage, the total available capital for the strategy is expected to be in excess of US \$5 billion.

With a total investment of US \$400 million, Aldar will broaden its focus from the traditional equity investments it is known for in the region, to diversifying its investment portfolio across the capital structure by entering the private credit space. By doing so with reputable and established players – from a funding, asset class and sector perspective – Aldar is gaining a meaningful foothold in a high growth market, particularly as the market continues to mature and in the context of the strong growth witnessed in non-bank lending.

Talal Al Dhiyebi, Group Chief Executive Officer of Aldar Properties said: "Private credit is an increasingly important element of real estate finance in mature markets. With the rising prevalence of non-bank lending, as credit conditions tighten and stricter capital requirements are implemented, we see a substantial opportunity for Aldar as a strategic real estate investor. This partnership between Mubadala, Ares, and Aldar is wholly unique, blending financial strength, a proven track record and in-depth knowledge of the real estate sector and asset classes. It is an ideal opportunity in terms of timing to gain both high quality exposure to a key asset class and a solid foothold in a market that is not only scalable but that also offers favourable risk-adjusted returns through market cycles."

Commenting on the launch of the new platform, **Omar Eraiqat, Deputy CEO of Disruptive Investments at Mubadala**, said: "Mubadala has strong and strategic relationships with both Ares and Aldar, and this new platform leverages the collective strengths of each party to invest in the private real estate credit market in the United Kingdom and Europe. This collaborative approach reflects our shared commitment



to identifying and capitalizing on unique investment opportunities that deliver sustainable, long-term returns.”

Ares, a leading global investment manager – with approximately US \$49 billion of real estate assets under management and over 250 real estate investment professionals globally – will provide a dedicated investment team mandated to cover real estate debt deal origination, portfolio monitoring, and deal pipeline execution. Leveraging a highly collaborative approach across the Ares platform, the Ares European Real Estate Debt team is fully integrated into Ares’ global real estate team and benefits from the firm’s global leadership position in credit. Since launching in January of 2022, the Ares European Real Estate Debt team has originated and closed on over US \$1.2 billion of real estate loans across Europe, as of September 30, 2023.

Phil Moore, Partner and Head of European Real Estate Debt in Ares Real Estate, said: “The global opportunity for flexible private real estate lenders continues to grow as we see ongoing retrenchment of traditional sources of capital. We remain focused on leveraging our cycle-tested team, global market perspective and disciplined approach to capitalize on our high conviction sectors, including the residential, mixed-use and adjacent spaces, all of which continue to benefit from attractive supply/demand dynamics. Our most recent investments reflect our ability to step into complex situations and provide flexibility up and down the risk/return spectrum at scale. We look forward to further pursuing attractive lending opportunities and executing on our debt investment strategy in Europe alongside Mubadala and Aldar.”

The announcement follows Aldar’s recent expansion into the UK with the acquisition of London Square, the company’s inaugural direct investment beyond the MENA region. Moreover, the investment in UK and European private credit serves as an extension of the company’s international expansion strategy. The strategy is focused on investing in mature markets outside of Aldar’s home region and aims to accelerate the company’s growth through diversifying its revenue and geographic presence and increasing its portfolio and investment exposure to high-growth alternative real estate asset classes.

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About Aldar

Aldar Properties PJSC is the leading real estate developer, investor, 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. 69 million sqm land bank and includes three businesses: Aldar Projects, which is Aldar's dedicated project delivery arm and the manager of its project management business; 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 35 billion portfolio of investment grade and income-generating assets diversified across retail, residential, commercial, hospitality, and logistics segments. Aldar Investment also manages three core platforms: Aldar Education, Aldar Estates, and Aldar Hospitality and Leisure. Aldar Education includes Aldar's entire educational portfolio, with almost 38,000 students across 31 operated and managed schools, and a growing network of educators from over 100 nationalities, offering a wide range of curriculum and ancillary services such as a Teacher Training Academy. Aldar Estates, the region's largest integrated property and facilities management platform, 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, in addition to Ras Al Khaimah. It includes Aldar's portfolio of 13 hotels, comprising over 4,200 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 Mubadala Investment Company

Mubadala Investment Company is a sovereign investor managing a global portfolio, aimed at generating sustainable financial returns for the Government of Abu Dhabi.

Mubadala's \$276 billion (AED 1015 billion) portfolio spans six continents with interests in multiple sectors and asset classes. We leverage our deep sectoral expertise and long-standing partnerships to drive sustainable growth and profit, while supporting the continued diversification and global integration of the economy of the United Arab Emirates.

For more information about Mubadala Investment Company, please visit: www.mubadala.com



About Ares Management Corporation

Ares Management Corporation (NYSE:ARES) is a leading global alternative investment manager offering clients complementary primary and secondary investment solutions across the credit, private equity, real estate and infrastructure asset classes. We seek to provide flexible capital to support businesses and create value for our stakeholders and within our communities. By collaborating across our investment groups, we aim to generate consistent and attractive investment returns throughout market cycles. As of September 30, 2023, Ares Management Corporation's global platform had approximately \$395 billion of assets under management with approximately 2,800 employees operating across North America, Europe, Asia Pacific and the Middle East. For more information, please visit www.aresmgmt.com.