

Eskan Bank REIT Units Commence Trading on Bahrain Bourse

Bahrain Bourse (BHB) announced on Monday 2nd January 2017 the listing and commencement of trading on Units of the Eskan Bank Realty Income Trust (under the symbol 'EBRIT'). Marking the occasion of this historic listing, Eskan Bank General Manager Dr. Khalid Abdulla rang the trading session opening bell at the Bourse in the presence of BHB Chief Executive Officer Shaikh Khalifa bin Ebrahim Al Khalifa, Securities & Investment Company (SICO) Chief Executive Officer Ms. Najla Al Shirawi, and other officials.

The total number of units listed is 198,000,000 with a nominal value of BHD 0.100 per unit. Trading in the units (ISIN: BH0005158K14) is open to GCC individual and institutional investors who can place 'buy and sell' orders through a BHB-licensed broker, while clearing and settlement will be undertaken by Bahrain Bourse.

Congratulating Eskan Bank on the listing, BHB Chief Executive Shaikh Khalifa bin Ebrahim Al Khalifa, said: "The commencement of trading of Bahrain's first Sharia-compliant retail real estate investment trust underlines the ongoing initiatives by the Central Bank of Bahrain and Bahrain Bourse to bring new products and services to the exchange. These are designed to improve the Bourse's liquidity and depth, thereby strengthening its competitiveness and enhancing its appeal to local, regional and international investors, both institutional and individual."

Eskan Bank General Manager Dr. Khalid Abdulla said: "We would like to thank all our partners for their contribution to the successful offering, subscription and listing of the Eskan Bank Realty Income Trust. This provides

investors with the opportunity to share in the Bank's significant property development activities, and benefit from commercial and residential rental income across diversified assets. This historic listing underlines our commitment to encourage private sector participation in the Bank's real estate development projects that target social housing and its related amenities."

"Such a landmark financial instrument will add to the breadth of investment opportunities in the Kingdom of Bahrain; offer diversification within the real estate sector with primary exposure to retail, office and residential segments, thereby spreading the risk of owning individual properties; and position Eskin Bank as an innovative bank spearheading financial sophistication and depth," he added.

Ms. Najla Al Shirawi, Chief Executive of SICO, which is the mandated lead manager for the offering, as well as the sub-investment manager and dedicated market maker, commented: "We are delighted to be working with Eskin Bank to lead and manage this historic REIT listing in Bahrain. The introduction of this new alternative investment asset class will add greater depth to the Kingdom's real estate sector, while helping to improve liquidity in Bahrain Bourse. Our involvement illustrates SICO's commitment to broaden the investment products available to investors in the local market, while further reinforcing our status as a leading provider of corporate finance services in the GCC since 1997. As the Market Maker to the issue we will strive to enhance the liquidity on Bahrain Bourse for the units at the same time narrow the bid/offer spread on day to day basis"

The Eskin Bank Realty Income Trust has an attractive target of 6.5 per cent in net distributable income payable semi-annually, and is expected to offer lower

risk and volatility than stocks and bonds due to long-term rents, prime-asset backing, and no current leverage.

The REIT comprises of two initial income-generating and unleveraged properties: Segaya Plaza, a mixed retail and residential property located in Manama; and the commercial components of Danaat Al Madina, a mixed-use property development situated in Isa Town. The properties currently have a combined occupancy rate of over 85%, and the Trust intends to increase its property portfolio as and when suitable opportunities arise.