



MEDIA RELEASE

ILAM Fahari I-REIT Unitholders EGM Approves Proposed Operational Restructuring

...Restructuring to pave the path for strategic growth and enhanced value

27/11... [ILAM Fahari Real Estate Investment Trust \(NSE: FAHR\)](#) unitholders have approved the proposed operational restructuring and the delisting of the REIT from the main investment market segment of the Nairobi Securities Exchange (NSE).

The unitholders approved all the resolutions recommended by the REIT Manager and approved by the Trustee during an Extraordinary General Meeting (EGM) held last Friday (November 24th).

Among the adopted resolutions were the approval of the proposed conversion of ILAM Fahari I-REIT from an unrestricted to a restricted I-REIT (93.09%), the delisting of the REIT from the NSE (92.95%), the quotation of the REIT units on the Unquoted Securities Platform (USP) managed by NSE (92.95%), and the authorization of ICEA LION Asset Management (ILAM) and the Co-operative Bank of Kenya as the Manager and Trustee of ILAM Fahari I-REIT to take all the necessary actions for the conversion and delisting (92.97%).

Speaking after the EGM, ILAM Chief Executive Officer Mr. Einstein Kihanda said the proposed restructuring will allow the REIT to pursue a more focused investment strategy, aligning with the evolving needs of the unitholders.

“This special resolution marks a pivotal moment in our journey towards the growth of the REIT. The unitholders have reaffirmed their commitment to the Management to pursue the growth and expansion plan. This decision paves the way for strategic acquisitions and a solid financing strategy,” Mr. Kihanda said.

“We embark on this path with gratitude for the support received from the Unitholders, and we are now ready to propel our REIT towards its envisioned success. We are also grateful to the CMA and NSE for the support provided during the restructuring exercise.”

The delisting from the Nairobi Securities Exchange (NSE) will provide greater flexibility in managing the REIT's portfolio. It will not affect the unitholders' ability to trade their units with Non-Professional investors bundled into a Nominee Account. After three years, the REIT will look at relisting on the NSE upon successfully implementing the strategy.

Lydia Rono, the Chairperson of the Board of Trustees from the Corporate Trustee Services at The Co-operative Bank of Kenya Limited, said the intention is to grow the REIT with expectations of double-digit growth.

“We are pleased that the unitholders have supported our proposed operational restructuring. The restructuring will allow us to serve our unitholders' long-term interests better and deliver enhanced value. We are thrilled to embark on this restructuring journey to fuel our growth and deliver exceptional returns to our unitholders,” Lydia Rono said.



“We’ve been empowered to scale up our operations, to foster innovation, and unlock new horizons of success. Together with the REIT’s Manager, we are committed to enhancing the value proposition for our unitholders and driving a prosperous future.”

ILAM Fahari I-REIT Chief Executive Officer Raphael Mwito said they remain committed to providing the unitholders with a high-quality investment experience.

“Our focus now shifts entirely to growth. We seek high-quality assets in prime locations with strong tenants, aiming to double our portfolio value from Kshs. 3.5billion to Kshs. 7 billion within the next three to four years,” Mr. Mwito said.

The proposed restructuring will allow ILAM and the REIT Trustee to pursue a more focused investment strategy, aligning with the evolving needs of its unitholders.

The restructuring is expected to create several benefits for unitholders, including increased flexibility to pursue a broader range of investment opportunities, such as direct real estate acquisitions and developments and improved ability to align the REIT's investment strategy with the long-term needs of its unitholders.

The REIT will now formally apply to the CMA and NSE to delist from the Main Investment Market Segment. Upon receipt of their approval, the Delisting Date will be communicated to the public.

Ends.

About ILAM Fahari I-REIT

The ILAM Fahari I-REIT is a real estate investment trust licensed under the REIT's Regulations. The REIT was authorized by the Capital Markets Authority on 30 September 2015 and became the first REIT in East Africa. It later became listed on the Nairobi Securities Exchange on 26 November 2015, raising capital of KShs. 3.6 billion. The REIT's duration is a maximum of 80 years subject to the provisions of the Trust Deed. The REIT Scheme is a closed ended Scheme and trades as “FAHR” on the Nairobi Securities Exchange (“NSE”).

The principal activities of the REIT include but are not limited to:

- The acquisition, for long-term investment, of income-generating eligible real estate and eligible investments, but not limited to housing, commercial and other real estate;
- Undertaking of such development and construction activities as may be permitted by the Capital Markets Act, Chapter 485A of the Laws of Kenya and the REIT's Regulations; and
- Investing in cash, deposits, bonds, securities and money market instruments.

ILAM Fahari I-REIT is advised by Dyer and Blair Investment Bank (Transaction Advisor), TripleOKLaw Advocates LLP (Legal Advisor), Co-operative Bank of Kenya (Trustee), CDSC Registrars Limited (Registrar) and Oxygene Marketing Communications (PR & Marketing).

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