

## EQUITATIVA REPORTS ROBUST GROWTH IN Q3 2023 FOR EMIRATES REIT

Dubai, 23 November 2023 – Equitativa (Dubai) Limited (“Equitativa”), manager of Emirates REIT (CEIC) PLC (“Emirates REIT” or the “REIT”), today reported Q3 2023 financial results for Emirates REIT.

### KEY HIGHLIGHTS

- **Fair Value** of Investment Properties has **increased by 16%** year-on-year, to **USD 888m** (AED 3.3b).
- **Net Asset Value** grew strongly by **29%** year-on-year, to USD 465m (AED 1.7b), amounting to USD 1.46 per share.
- **Total Property Income** for the 9-month period grew by 10% year-on-year to reach **USD 55m** (AED 202m).
- **Occupancy** has improved by **5 percentage points** year-on-year to **87%**.
- **Net Property Income** grew by **11%** year-on-year to **USD 45m** (AED 167m).
- **Operating Profit** was **up 13%** year-on-year to **USD 32m** (AED 116m).
- **Net Unrealized Revaluation Gain** increased significantly during the period to **USD 98m** (AED 360m).
- **Net Profit** closed at **USD 93m** (AED 340m) for the 9-month period.

### Operations

The occupancy improving by 5 percentage points, along with an increase in Total Property Income of 10%, indicates that our strategic leasing activities are successful in taking advantage of the current leasing market, particularly in high-demand buildings such as **Index Tower**, which achieved **growth of 24%** in Total Property Income.

On a like-for-like basis, disregarding the effect of Jebel Ali School which was sold in May 2022, the **increase** of the REIT's **Total Property Income** amounts to **13%**.

### Financial Performance

The combined effect of increased occupancy and continued improved rental rates resulted in a consistent growth in net property income which grew by 11% on year-on-year basis. This was also reflected in a double-digit year-on-year growth of 13% seen in operating profit which is a testament of improvement in operating performance of the REIT.

This was however impacted by rise in financing cost, which despite a reduction of USD 28m in Islamic financing facilities negatively impacted the FFO.

The **Finance To Asset Value** of the REIT fell from 51% as at September 30, 2022 to a healthy **44%** as at September 30, 2023, which is a combined effect of facility repayments and improved property valuations.

Supported by better operating performance, lower financing and improved valuations the REIT **Net Asset Value** (NAV) registered a strong year-on-year growth of **29%** with NAV per share moving to USD 1.46 per share from USD 1.13 per share in September 2022.

**Commenting on Emirates REIT's performance, Thierry Delvaux, Chief Executive Officer of Equitativa, said:**

"With a focus on improving income and operating profit as well as further reducing financing facilities, I am proud of the hard work of the team. While **increasing the rental rates by 8% and the operating profit by 13%**, we also managed to **reduce the leverage below 44%**. Those combined efforts resulted in a **very positive 29% increase in Net Asset Value**.

With a still strong supporting real estate market, we aim to further continue both of those trends in the coming quarters."

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Media inquiries: [media@equitativa.com](mailto:media@equitativa.com) or +971 4 405 7348

**ABOUT EMIRATES REIT:** Emirates REIT, (Nasdaq Dubai: REIT; ISIN: AEDFXA1XE5D7), is a Dubai-based real estate investment trust investing principally in income-producing real estate in line with Shari'a principles. It currently owns a well-balanced portfolio of 10 assets in the commercial, education and retail sector. Emirates REIT benefits from exclusive Ruler's Decrees permitting it to purchase properties in onshore Dubai and Ras Al Khaimah.

**ABOUT EQUITATIVA GROUP:** The Equitativa group is a leading regional group of asset managers focused on creating and managing real estate investment trusts (REITs). The group offers innovative risk-adjusted, income generating financial products that cater to institutional and retail investors. As the founder of the UAE's first Shari'a compliant REIT, Emirates REIT, Equitativa is today one of the largest REIT manager in the Gulf Cooperation Council (GCC) countries and one of the biggest REIT Managers for Shari'a Compliant REITs in the world. In the UAE, Equitativa manages two leading REITs: Emirates REIT and The Residential REIT (IC) Limited, the latter incorporated in Abu Dhabi Global Market.