



EQUITATIVA ANNOUNCES EMIRATES REIT'S Q3 2021 RESULTS HIGHLIGHTING IMPROVED FINANCIAL PERFORMANCE AND CONTINUED POSITIVE MOMENTUM IN DUBAI COMMERCIAL PROPERTY MARKET

- Improving EBITDA and Net Profit driven by divestment gains, reversal of credit losses provisions, portfolio valuation gains and lower expenses
- Net Asset Value per share increased by 22% during the period, closing at USD 0.91 per share
- Emirates REIT continues to see solid resurgence and growing confidence in Dubai market

Dubai, 10 November 2021 – Equitativa (Dubai) Limited ("Equitativa"), manager of Emirates REIT (CEIC) PLC ("Emirates REIT" or the "REIT"), today reported the unaudited Q3 and YTD 2021 financial results for Emirates REIT. The REIT continues to see positive momentum as Dubai's real estate market recovers from the impact of the COVID-19 pandemic. In the nine months ended 30 September 2021, the company reported a 65.7% increase in EBITDA to USD 38.0 million, compared to nine months period ended 30 September 2020. Net profit for the period was USD 49.3 million, compared to a net loss of USD 94.5 million for the same period in 2020.

Occupancy across the REIT's portfolio grew by 2.3% year-on-year and stood at 71% as at 30 September 2021, with an increase of 6.6% in the number of tenants, from 301 tenants in Q3 2020 to 321 tenants in Q3 2021. During Q3 2021, the REIT signed 31 new leases for 47,000 sq ft and renewed 28 leases for 40,000 sq ft, with seven leases expiring for 12,000 sq ft. Equitativa's focus on operational excellence enabled a strong tenant retention of 80% of the leases (77% by areas). Through the ongoing proactive management of its portfolio, the REIT maintained a stable Weighted Average Unexpired Lease Term (WAULT) across the portfolio of 8.5 years. Occupancy in the REIT's largest asset, Index Tower in DIFC, increased year-on-year by 13.7% to reach 60.3% as at 30 September 2021, taking into account the divestment of half floor in Q2.

Total property income for the latest nine-month period increased 3.1% year-on-year to USD 52.2 million. Total property expenses during the first nine months of 2021 declined 3.8% to USD 9.7 million, compared to the same period a year earlier, as the REIT continued to focus on cost optimisation. Fund expenses for the same period declined 11.2% year-on-year.

The REIT booked a net reversal on expected credit losses amounting to USD 6.5 million in the first nine months of 2021, compared to a charge of USD 5.3 million for the same period in 2020, mainly as a result of a partial recovery from one of its tenants. Fair Value of Investment Property appreciated by 4.8% during the first nine months of 2021 to reach USD 723.4 million, compared to USD 690.3 million as at 31 December 2020, resulting in an unrealized fair value gain of USD 32.4 million for the period. NAV per share increased by 22% during the period, closing at USD 0.91 per share, up from USD 0.74, as at 31 December 2020.

Commenting on Emirates REIT's Q3 2021 performance, Sylvain Vieujot, Executive Deputy Chairman of Equitativa said: "Our results for the period reflect the returning confidence and ongoing positive momentum in the UAE's real estate market as the economy continues to recover from the COVID-19 pandemic. Our portfolio of quality assets continues to draw increasing interest as demonstrated by the 6.6% increase in the number of tenants, and our retention rate of 80%. We continue to focus on delivering steady value for our shareholders through the proactive management of our portfolio which has enabled us to grow property income and reduce expenses in a volatile market environment whilst also driving strong growth in NAV per share."

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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 11 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 asset manager 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, the latter incorporated in Abu Dhabi Global Market.