



# 2020

Q1 2020 CALL  
PRESENTATION



# FINANCIAL HIGHLIGHTS

Q1 2020

- **Net Property Income** decreased by 1.4% year-on-year to USD 13.3m (AED 48.9m)
- **Provision on receivables** increased by 127.8% year-on-year to USD 1.8m (AED 6.6m) due to rent payment delay from a large tenant
- **EBITDA** decreased by 14.3% year-on-year to USD 7.4m (AED 27.1m)
- **FFO** stands at USD 0.1m (AED 0.5m)
- **Net Loss** for Q1 2020 stands at USD 46.3m (AED 170.1m) due to **large marked-to-market revaluation losses** of USD 46.5m (AED 170.9m)
- **Liquidity** increased by 47.8% year-on-year to USD 47.4m (AED 174.2m)





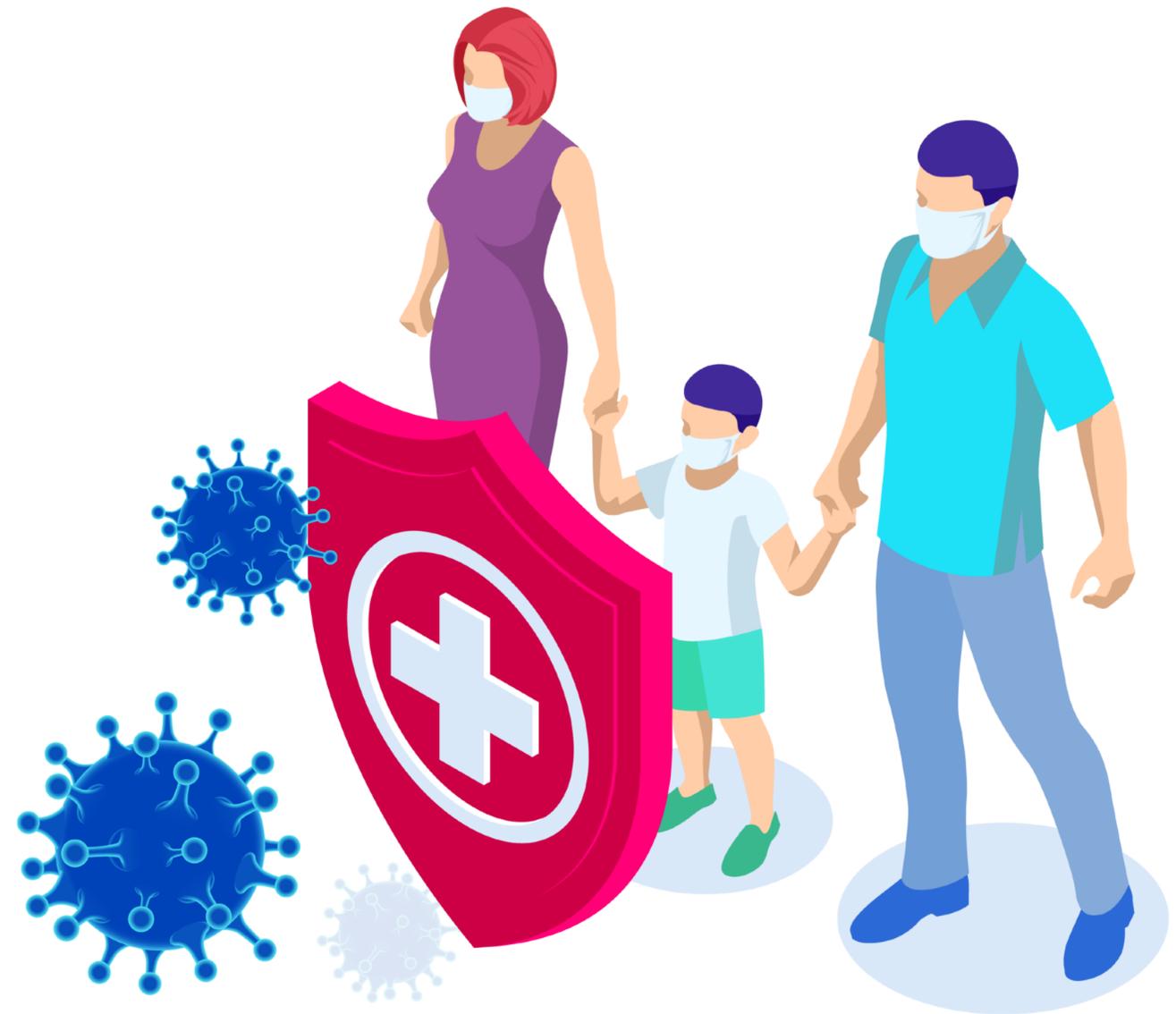
# PORTFOLIO HIGHLIGHTS

# COVID-19 UPDATE

Q1 2020



- All commercial buildings are currently open for business post lockdown
- Immediate implementation of additional cleaning, sanitization and control measures
- Implementation of social distancing measures at all properties
- Proactively collaborating with tenants to manage rental payments and identify solutions in the best interests of both parties
  - Managing over 100 tenant requests for rent waivers
  - Providing relief through flexibility and rent deferrals
  - Taking the opportunity to offer lease renewals on favourable terms
- No 'across-the-board' rent waivers or rent-free periods
- Monitoring the situation and the fuller economic impact affecting commercial real estate, particularly SMEs, retail and gyms



# OPERATIONAL HIGHLIGHTS

Q1 2020

- Continued focus on commercial operations, tenant retention, cost reduction and new revenue opportunities
- Occupancy decreased by 2.4% year-on-year to 73%
- Rental rate decreased by 6.7% year-on-year
- Weighted Average Lease Expiry increased to 8.4 years due to several renewal of long leases
- Gate Avenue connection to Index Mall has opened on 1 June 2020



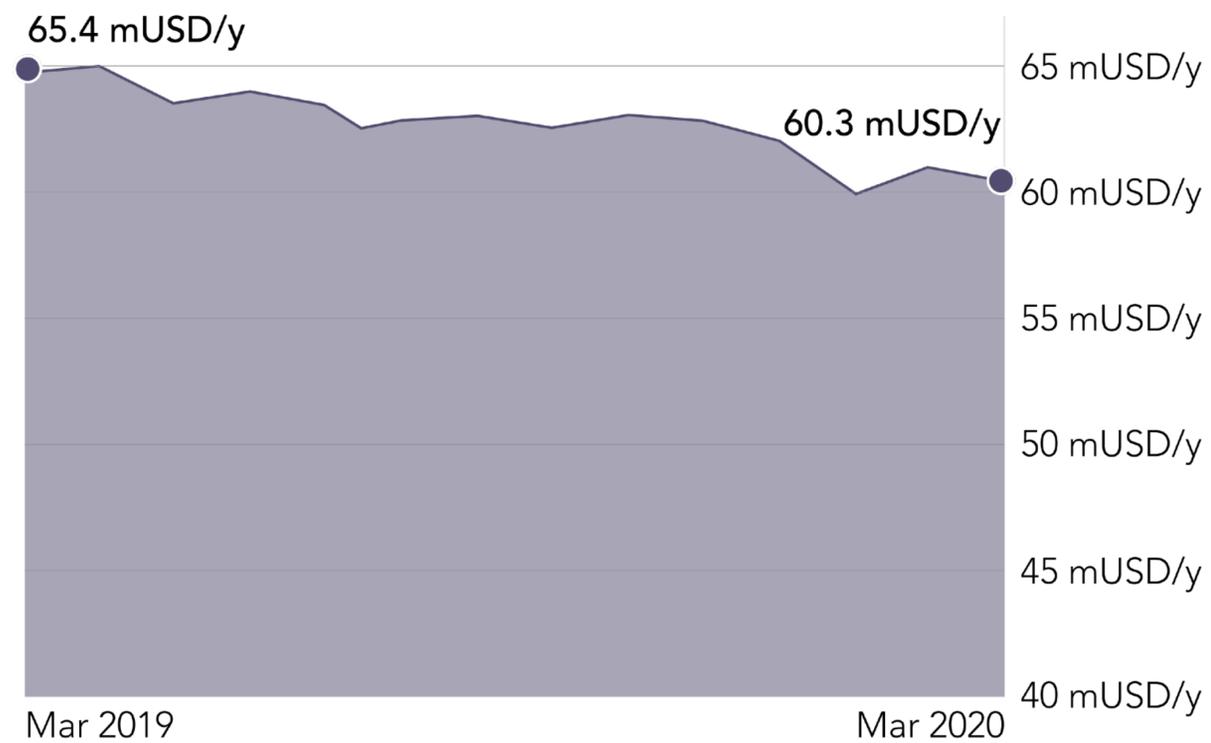
# PROPERTY HIGHLIGHTS

Q1 2020



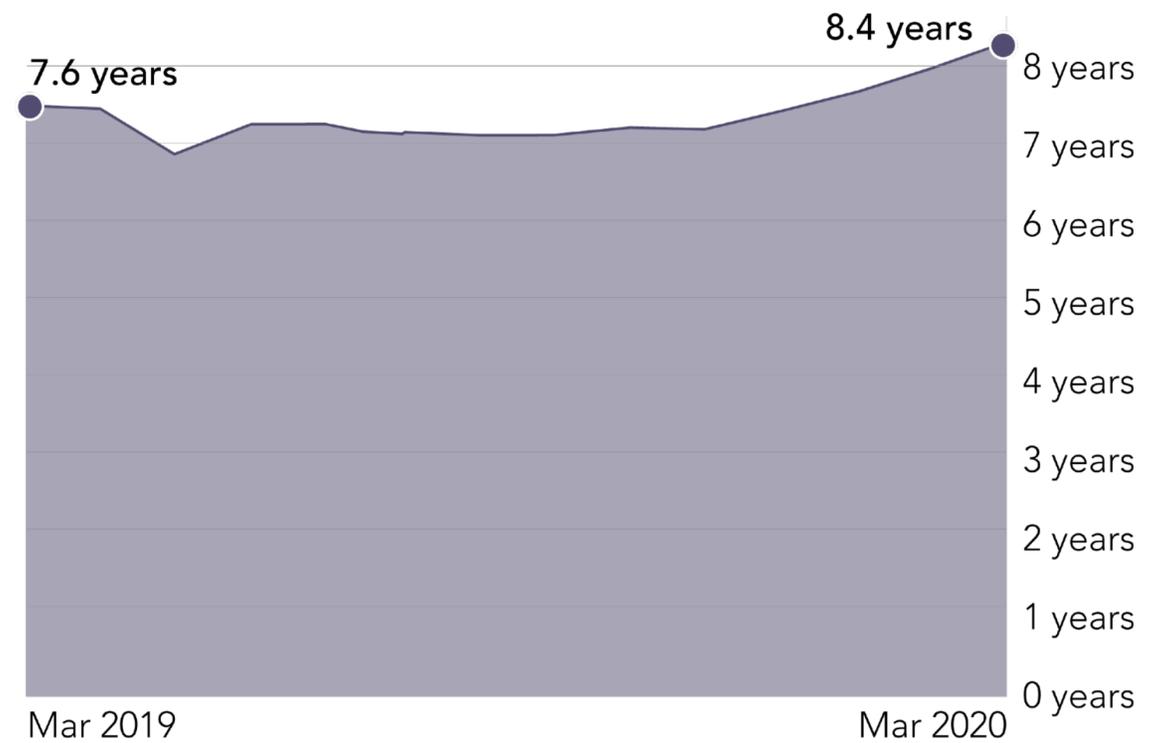
## ANNUALISED RENT

As of 31 Mar 2020 (excl. School in DIP)



## UNEXPIRED LEASE TERM

As of 31 Mar 2020



# PROPERTY OPERATIONS HIGHLIGHTS

Q1 2020



## LEASING ACTIVITY

- 25 new leases with c. 50,000 sqft of leasable area
- 40 renewals with c. 120,000 sqft renewed
- 34 leases expired with 60,000 sqft of vacated space

## INDEX TOWER

- Occupancy at 50%
- Gate Avenue connection to Index Mall has opened on 1 June 2020

## OFFICE PARK

- Occupancy at 86%
- Renovation for common areas works due to commence Q2 2020 (access controls, lobbies and WCs)

## LYCÉE FRANCAIS JEAN MERMOZ

- Extension works for secondary on schedule

## LOFT OFFICES

- Occupancy 51%
- Exterior works and painting work in progress
- Strategy to vacate Lofts to re-purpose Lofts 3 to larger offices

## EUROPEAN BUSINESS CENTRE

- Occupancy at 76%
- Completion of metro works and street works on going
- Opportunity to reposition the property with the opening of the Metro

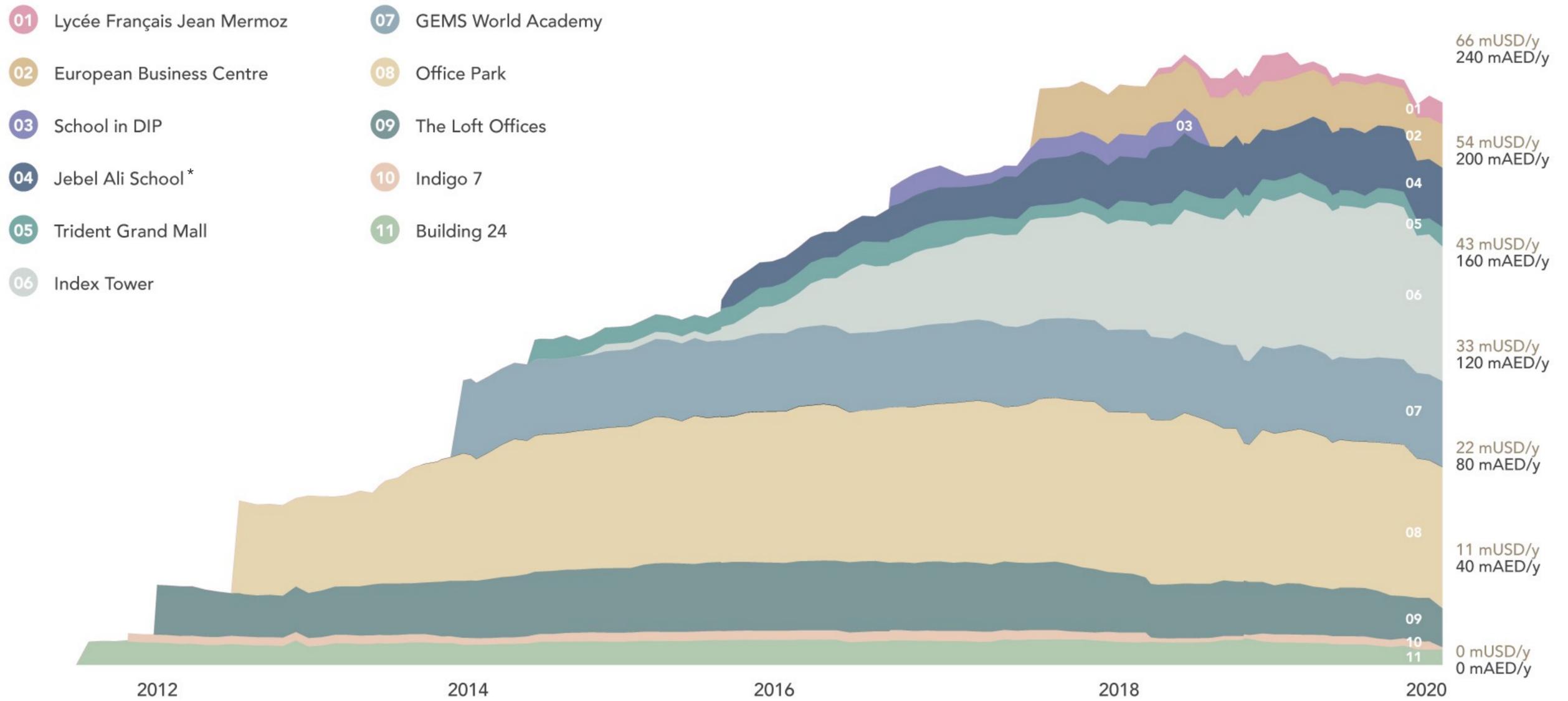
## BUILDING 24

- Occupancy 62%
- Impacted by new supply. In process of reviewing options with TECOM

# ANNUALISED RENT PER PROPERTY



Q1 2020



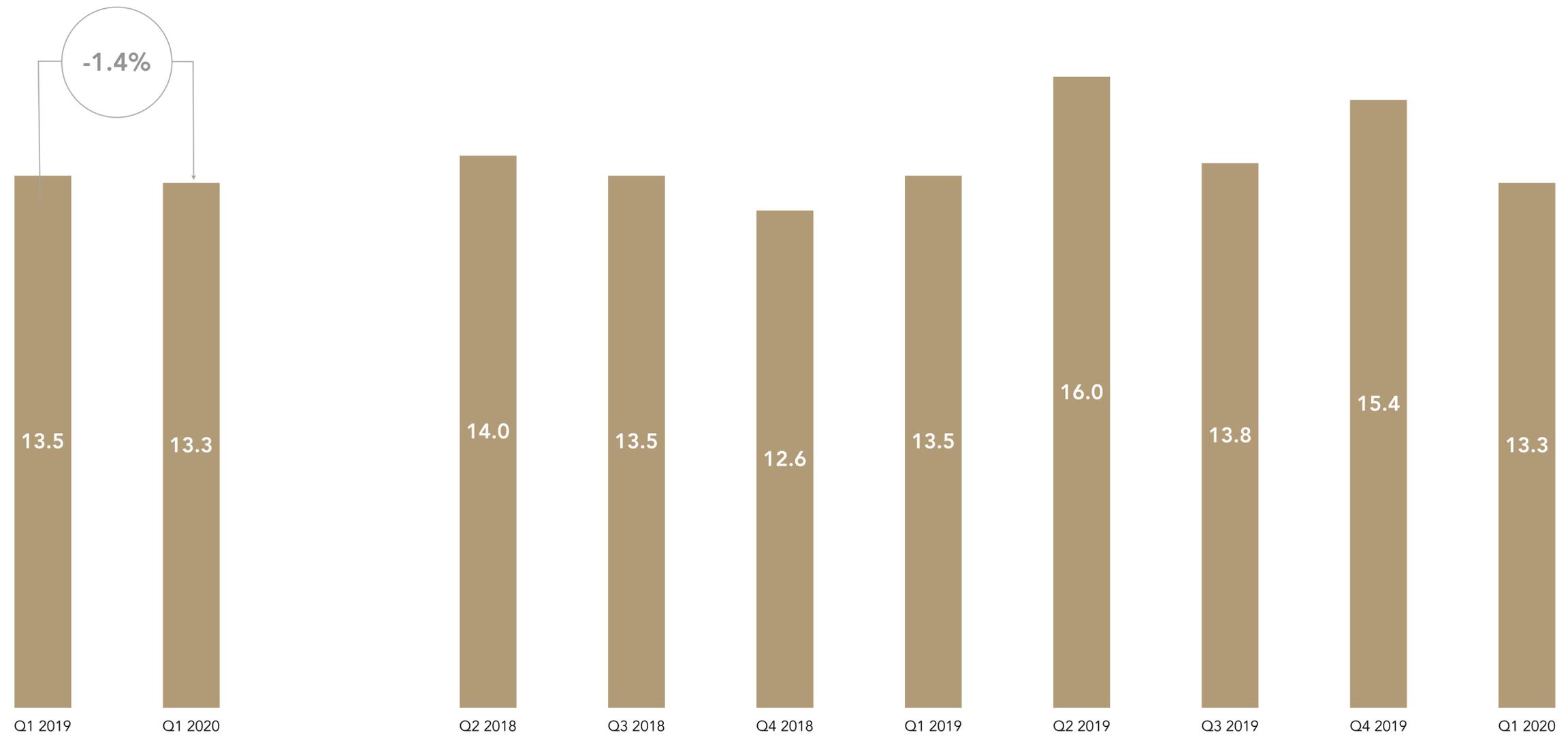
\* Contracted income without provisions



# FINANCIAL HIGHLIGHTS

# NET PROPERTY INCOME

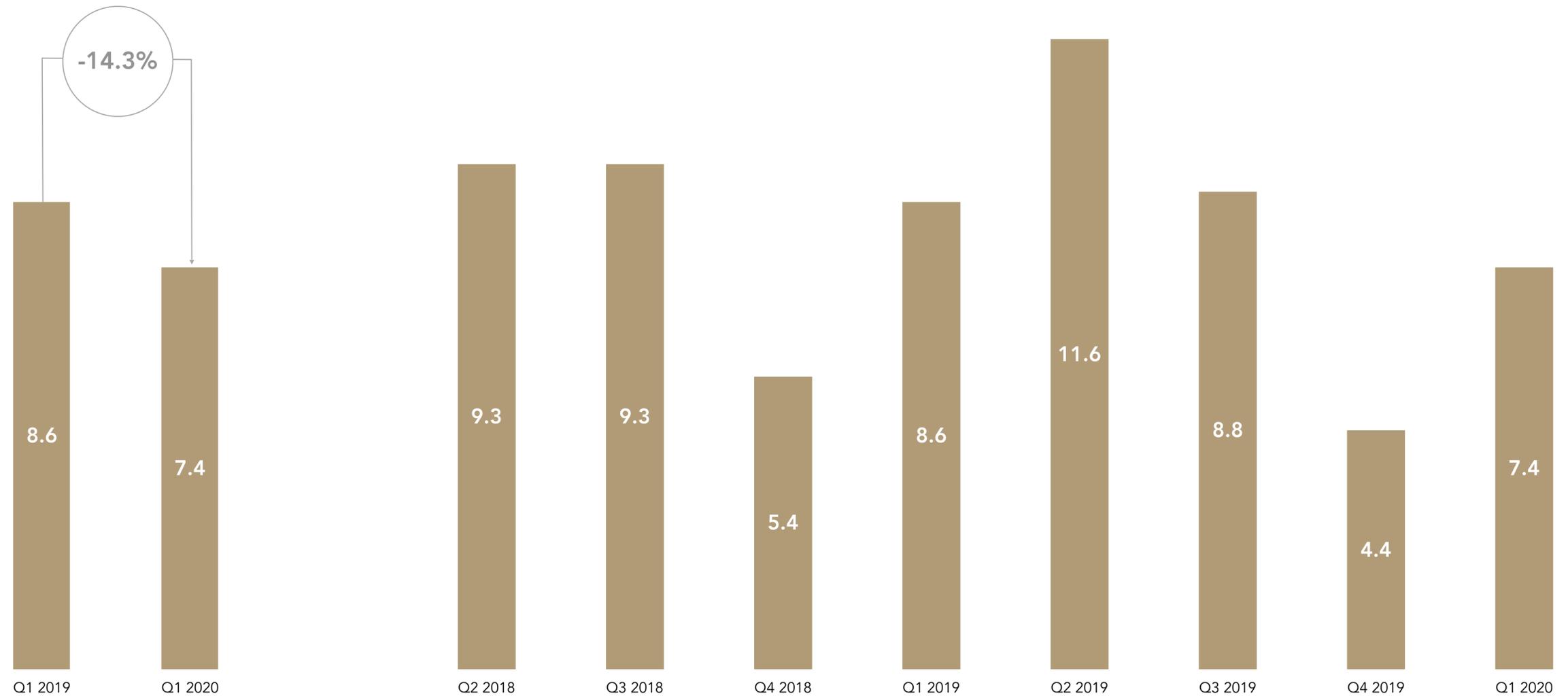
(USD M)



Net Property Income: Total Property Income less Property Operating Expenses

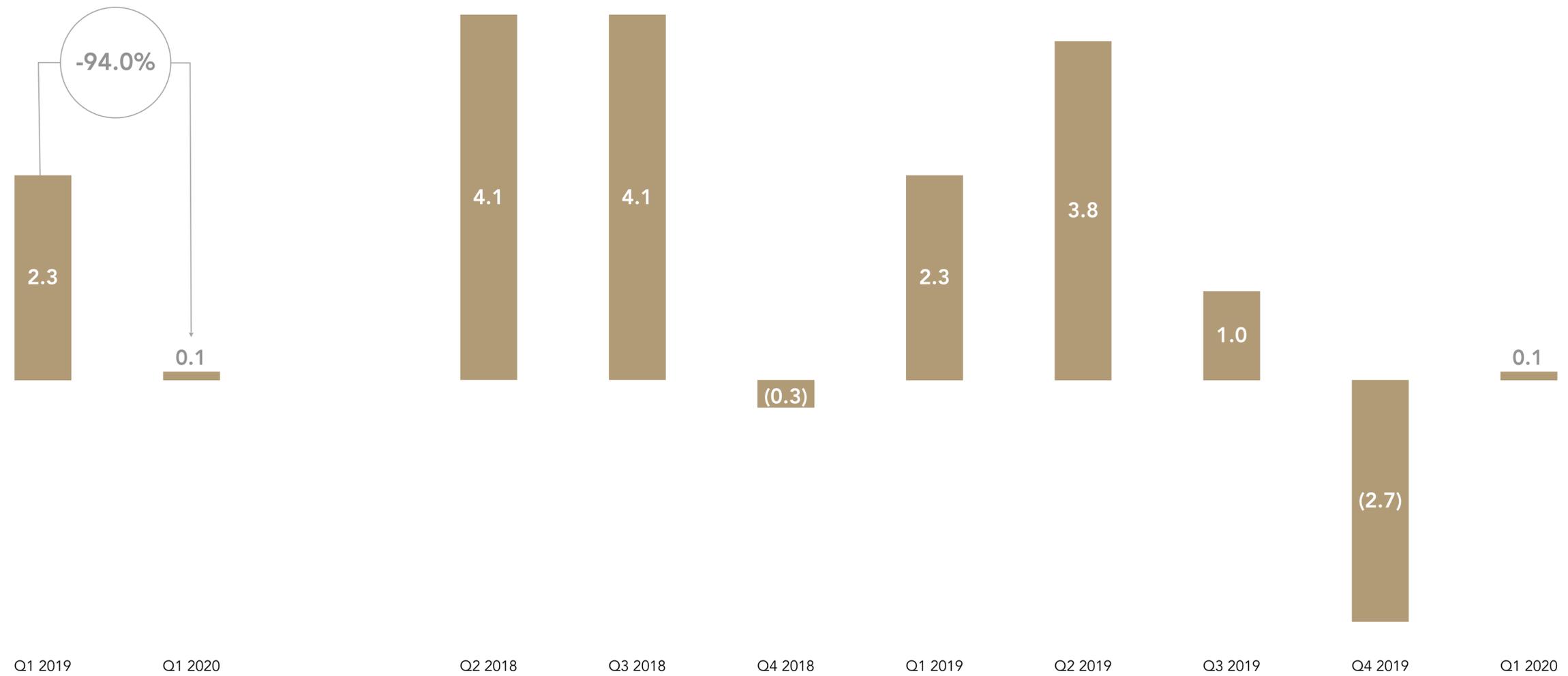
# EBITDA

(USD M)



# FFO

(USD M)



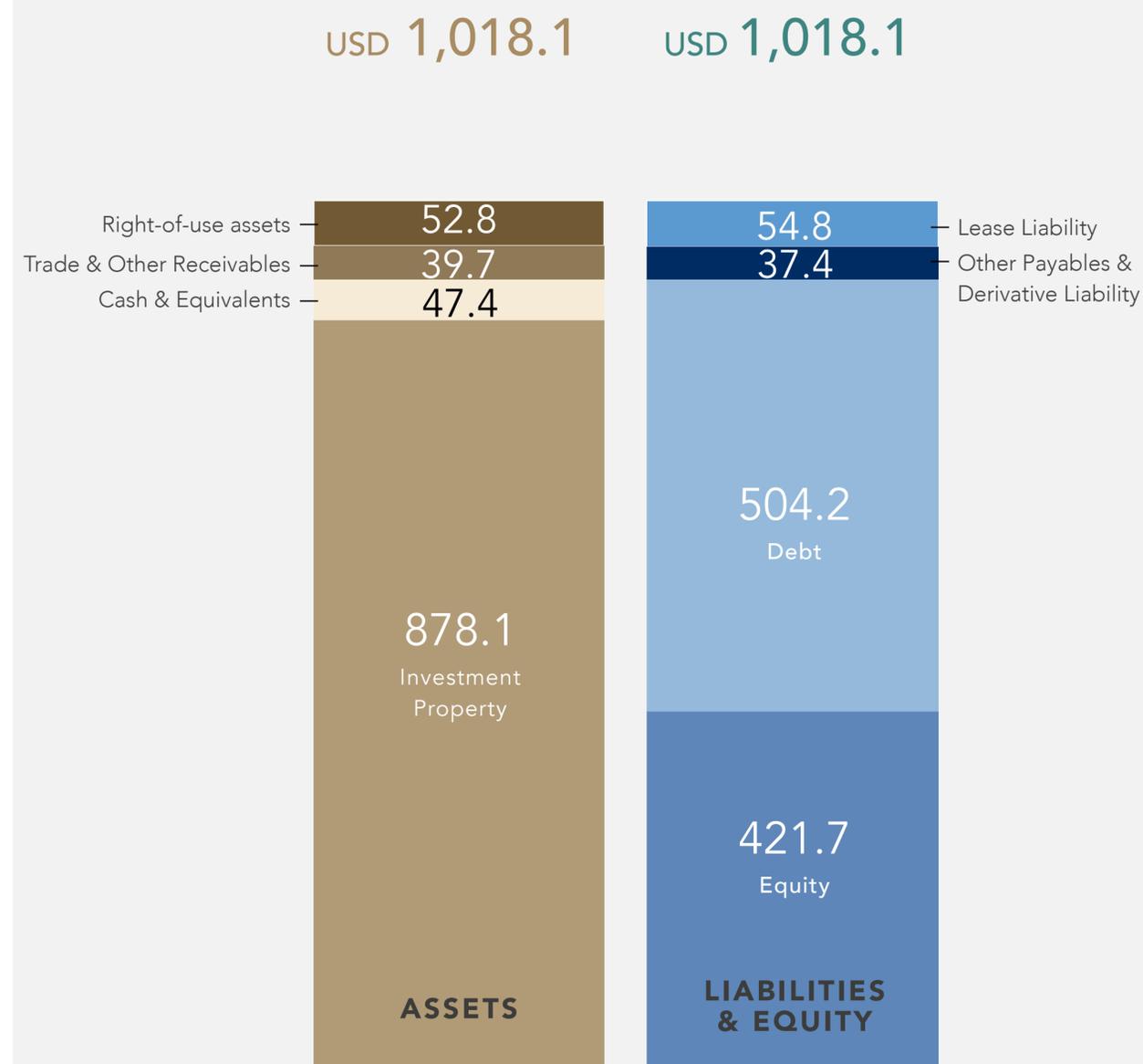
# BALANCE SHEET OVERVIEW

Q1 2020



| IN USD M                   | 31 MAR 2020 | 31 MAR 2019 | CHANGE  |
|----------------------------|-------------|-------------|---------|
| <b>INVESTMENT PROPERTY</b> | 878.1       | 941.1       | (6.7%)  |
| <b>TOTAL ASSETS</b>        | 1,018.1     | 1,006.4     | +1.2%   |
| <b>ISLAMIC FINANCING</b>   | 504.2       | 463.0       | +8.9%   |
| <b>TOTAL LIABILITIES</b>   | 596.3       | 496.8       | +20.0%  |
| <b>EQUITY</b>              | 421.7       | 509.6       | (17.3%) |
| <b>LTV RATIO (%)</b>       | 49.5%       | 46.0%       | +3.5%   |
| <b>NAV PER SHARE</b>       | 1.41        | 1.70        | (17.3%) |
| <b>LIQUIDITY</b>           | 47.4        | 32.4        | +47.8%  |

Includes impact of the adoption of the new IFRS 16 Standard



31 March 2020

# SUMMARY

Q1 2020



USD 878m

PORTFOLIO VALUE

222,912 m<sup>2</sup>

NET LEASABLE AREA

USD 422m

NET ASSET VALUE

73%

OCCUPANCY

USD 1.41 per share

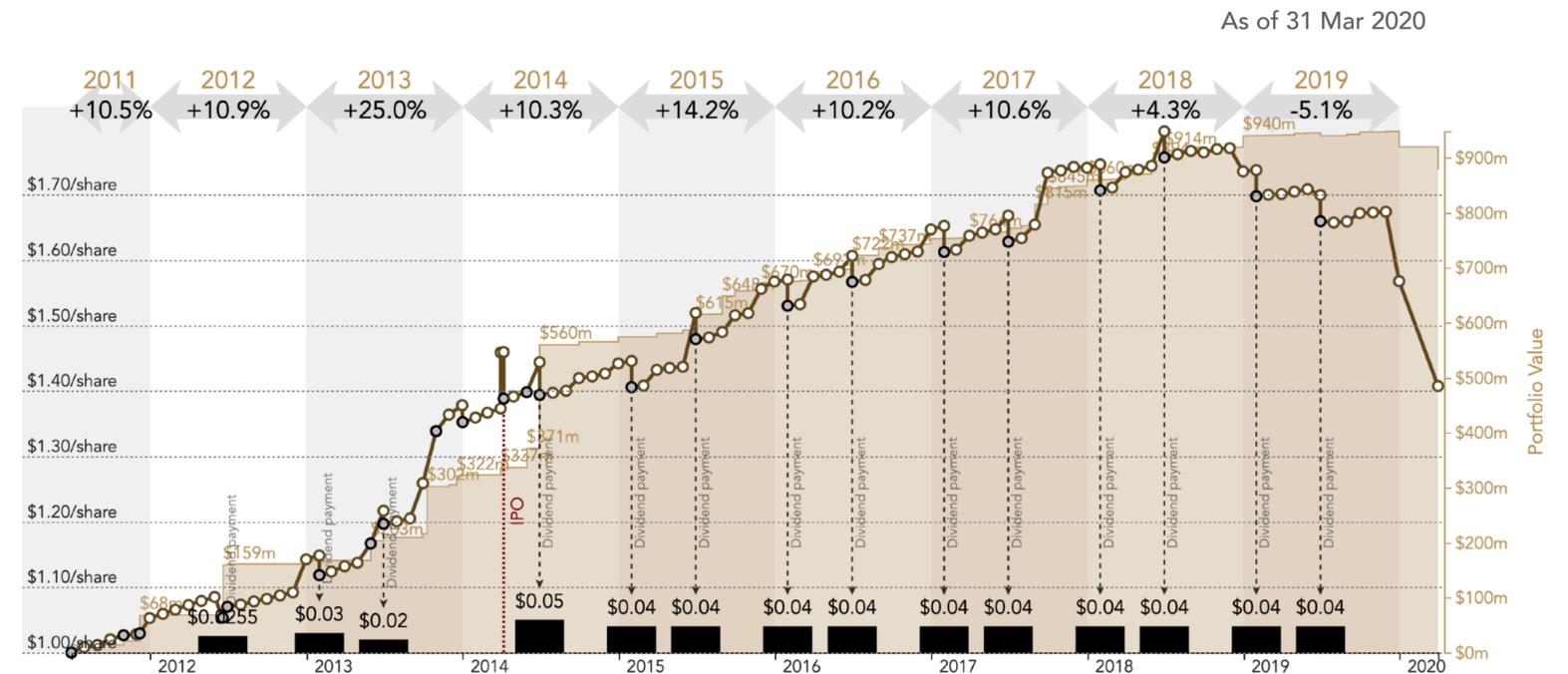
NET ASSET VALUE

8.4 years

WAULT<sup>(1)</sup>

11 Properties

331 Tenants



NAV per share is calculated by the REIT administrator. Growth rates are adjusted for dividends and annualized. For 2011, 2012 and 2013, the NAV per share was calculated in accordance with the REIT's Articles of Association, not IFRS. From 2014, the NAV has been calculated in accordance with IFRS. The historical NAV per share data presented in the figure above has been adjusted to reflect the sub-division of Shares by a factor of 100 on 26 January 2014.

(1) Weighted average unexpired lease term

THANK YOU

