



Emirates  
REIT

**H1 2024**  
EARNINGS CALL

27 AUGUST 2024

MANAGED BY  
EQUITATIVA  
GROUP



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# SPEAKERS



AGM 2024



**Thierry Delvaux**  
Senior Executing Officer



**Ross McLaughlin**  
Head of Real Estate



**Moeen Sheikh**  
Chief Finance Officer



1

KEY HIGHLIGHTS

2

OPERATIONAL HIGHLIGHT

3

FINANCIAL HIGHLIGHT

4

LOOKING AHEAD

5

STRATEGIC UPDATE AND Q&A



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# KEY HIGHLIGHTS

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TOTAL PROPERTY INCOME

USD 40.4m  
+12%



NET PROPERTY INCOME

USD 34.4m  
+16%



OPERATING PROFIT

USD 25.2m  
+19%



OCCUPANCY

90.5%  
+5.1 p.p.



NET ASSET VALUE

USD 563.2m  
+34%



INVESTEMENT PROPERTIES

USD 990.8m  
+18%



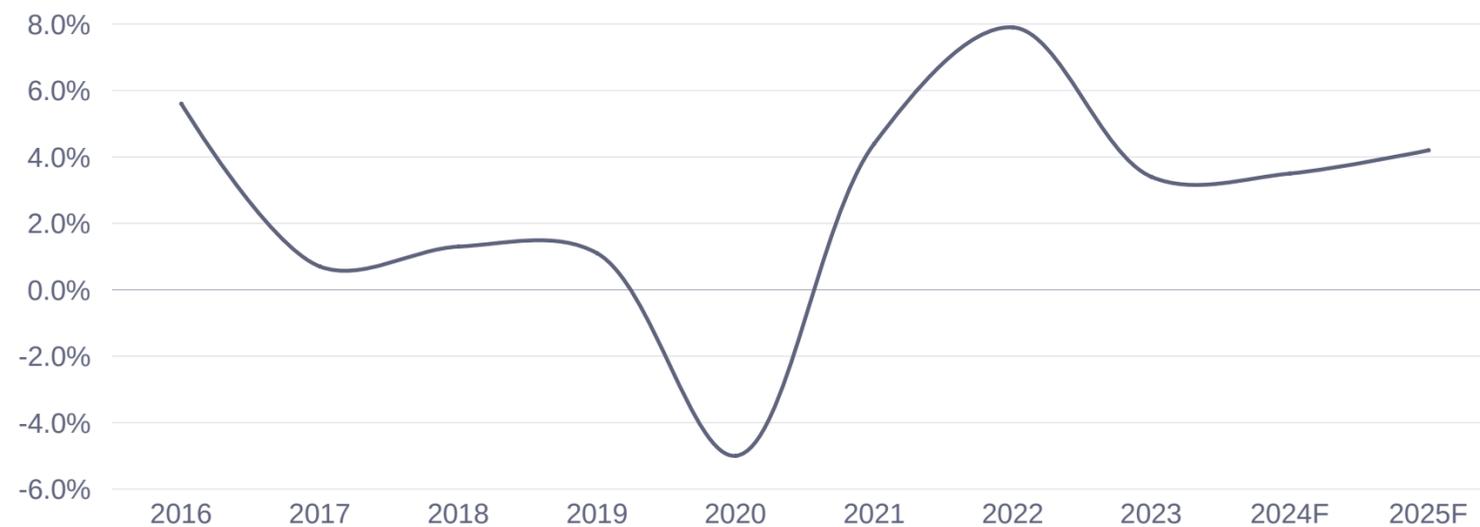
USD numbers rounded to the nearest million  
Growth : Year on year, Jun 30, 2024 vs Jun 30, 2023  
p.p. : percentage points



## ECONOMY

- GDP grew 3.6% in 2023
- Tourism, transportation, financial and insurance services, construction and real estate, and communications sectors driving growth
- Supported by government investment in infrastructure
- Overall economic growth forecasted up to 3.8% for 2024
- Low 2024 inflation forecast (2.3%)
- Whilst the PMI dropped slightly to 54.6 from May to June, it indicates continued expansion of the private sector and a strong economy

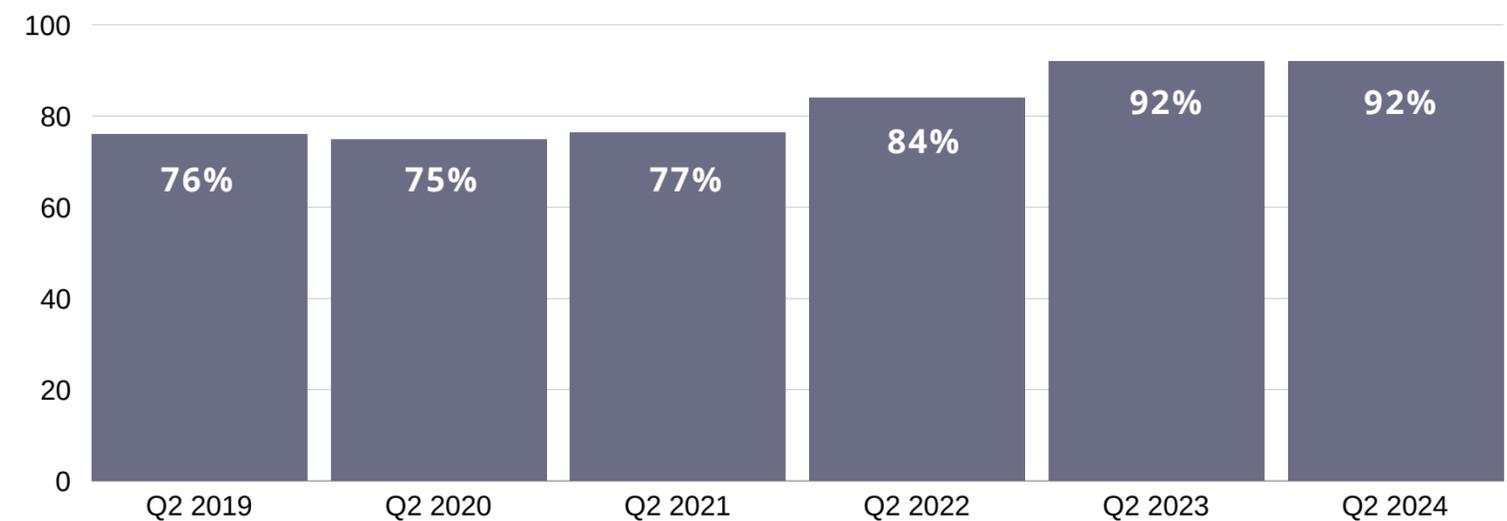
### UAE REAL GDP GROWTH (Y-O-Y)



## OFFICE

- Supply grew only 20,000sqm in Q2-24, to 9.26m sqm
- Expected additional 18,000sqm for H2-24
- Insufficient to meet current demand, and occupancy remains high
- International companies entering Dubai; local companies growing
- Limited supply of quality space resulted in rental growth
- Prime Dubai office rents increased by 5% y-o-y to June 2024, whilst Grade A and Grade B grew by 20% and 21% y-o-y respectively

### DUBAI, OFFICES, AVERAGE OCCUPANCY RATE, %





## RETAIL

- Retail market was also subdued in terms of new supply during H1 24
- In H2, growth is anticipated, with 58,000 sqm scheduled for delivery
- This will be primarily in community and regional malls
- Limited supply, coupled with robust demand drove vacancy rates to 10%
- Positive impact on rent; Y-o-Y growth of 16% across primary and secondary malls
- Resurgent consumer spending, fueled by a rebound in tourism and robust domestic consumption, bolstered the retail sector
- High demand for well located retails units in leading malls and well occupied communities



Total Stock



2024 Expected Deliveries



Average Rental Rates Across Primary and Secondary Malls



## EDUCATION

- Dubai education market continues to perform well, with strong demand
- Supported by population increase (+100,000 in 23 and +26,000 in Q1 24)
- 2023 witnessed 39,000 new school enrollments, a 12% growth rate
- Official 2024 figures are yet to be published but some schools are reporting healthy increases to enrollment
- Dubai population forecast to reach 5.8 million by 2040, creating more demand for schools long term.
- Dubai's Economic Agenda (D33) aims to position Dubai as a top global locations, attracting families to reside in Dubai long term







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# OPERATIONAL HIGHLIGHTS

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PORTFOLIO VALUE

USD 991m

AED 3.6bn

NET ASSET VALUE

USD 563m

USD 1.76 per share

COMMERCIAL

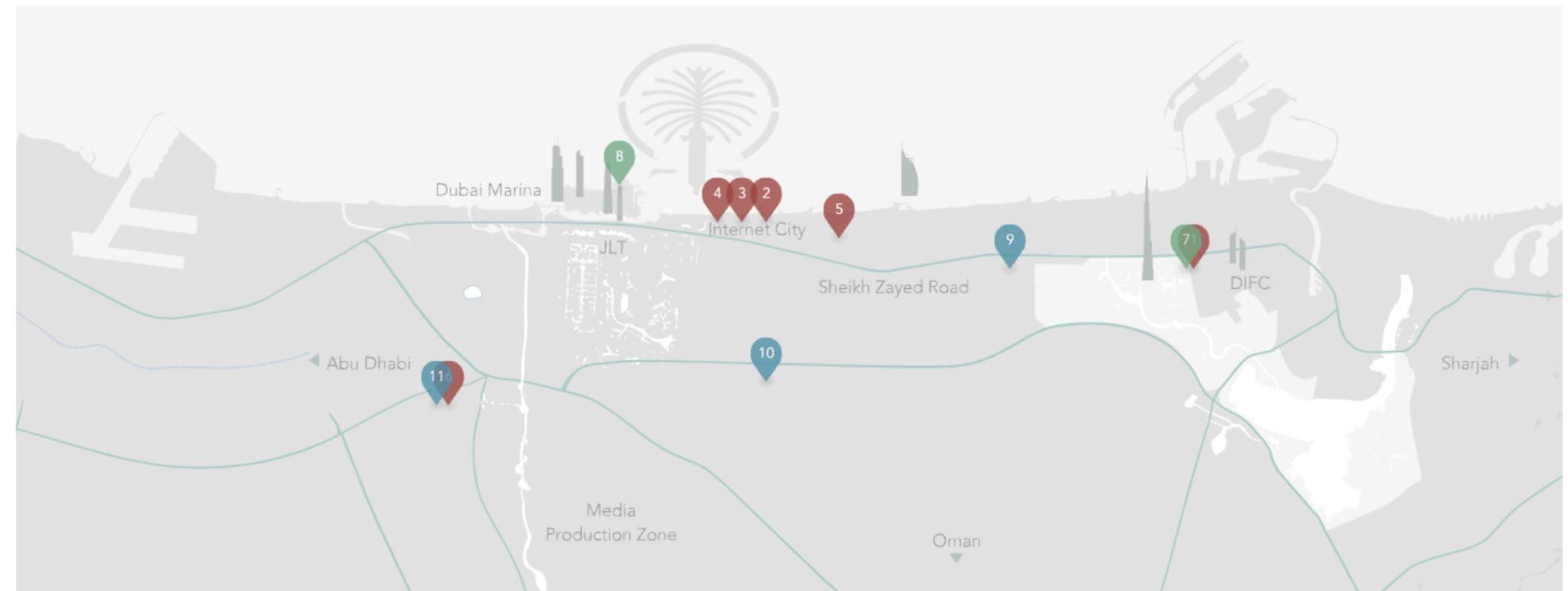
- 1 Index Tower
- 2 Office Park
- 3 Loft Offices
- 4 Building 24
- 5 Indigo 7
- 6 European Business Center

RETAIL

- 7 Index Mall
- 8 Trident Grand Mall\*

EDUCATION

- 9 Lycée Français Jean Mermoz
- 10 GEMS World Academy
- 11 Durham School

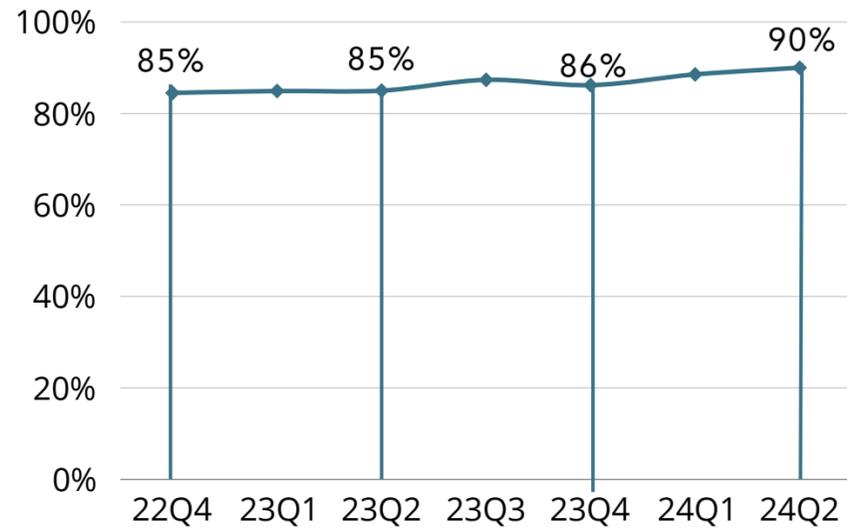


\*Trident Grande Mall was divested on 17th Jul 2024, in a post-period event

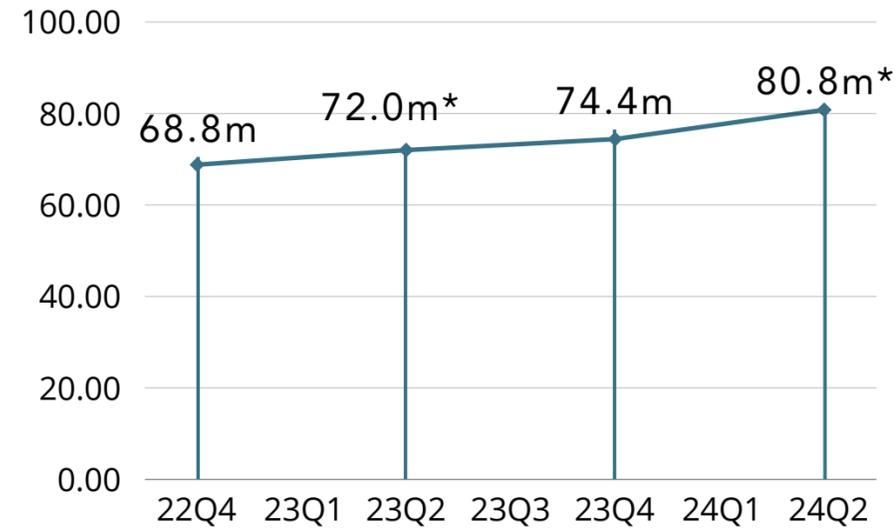


# OPERATIONAL HIGHLIGHTS

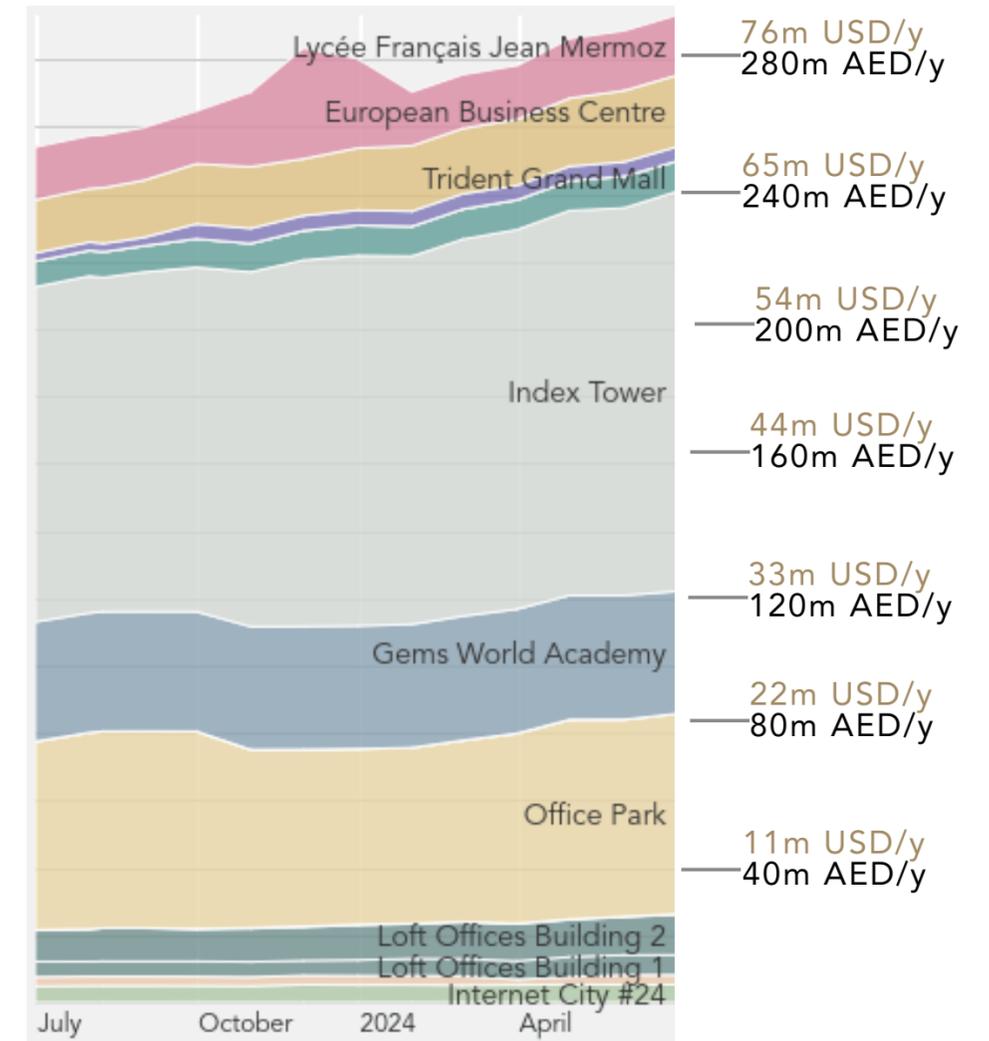
## OCCUPANCY +5.1 p.p.



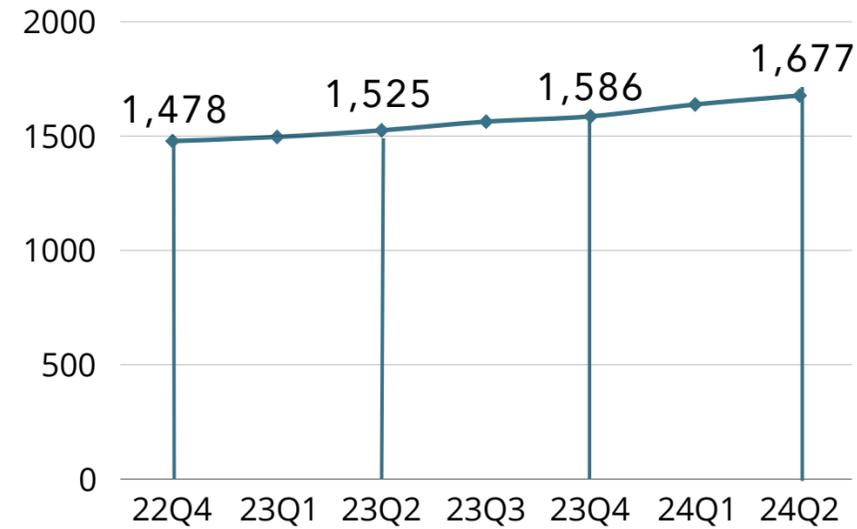
## GROSS INCOME (USD) +12%



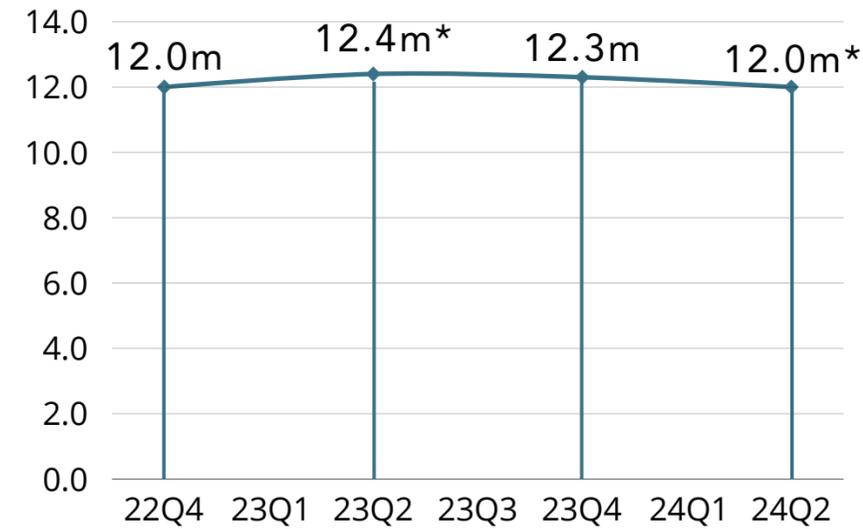
## ANNUALIZED RENTS CONTRIBUTIONS



## RATES (AED/M2) +10%



## OPERATING COSTS (USD) -3.4%



\*Annualized 12 months based on H1 2024 & 2023  
Growth: Year on year, Jun 30, 2024 vs Jun 30, 2023

# PORTFOLIO PERFORMANCE

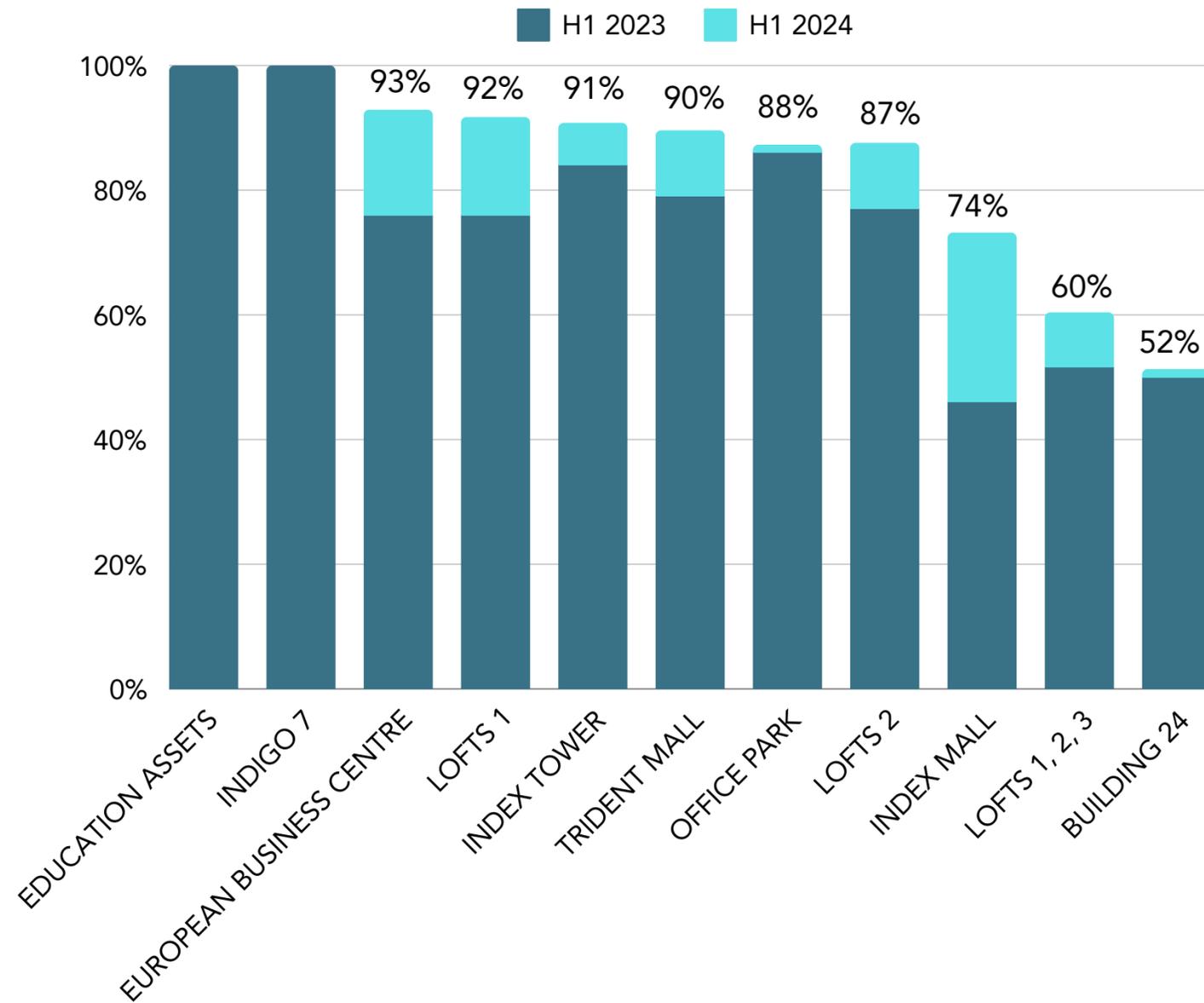


## OPERATIONAL HIGHLIGHTS

As at 30 June 2024

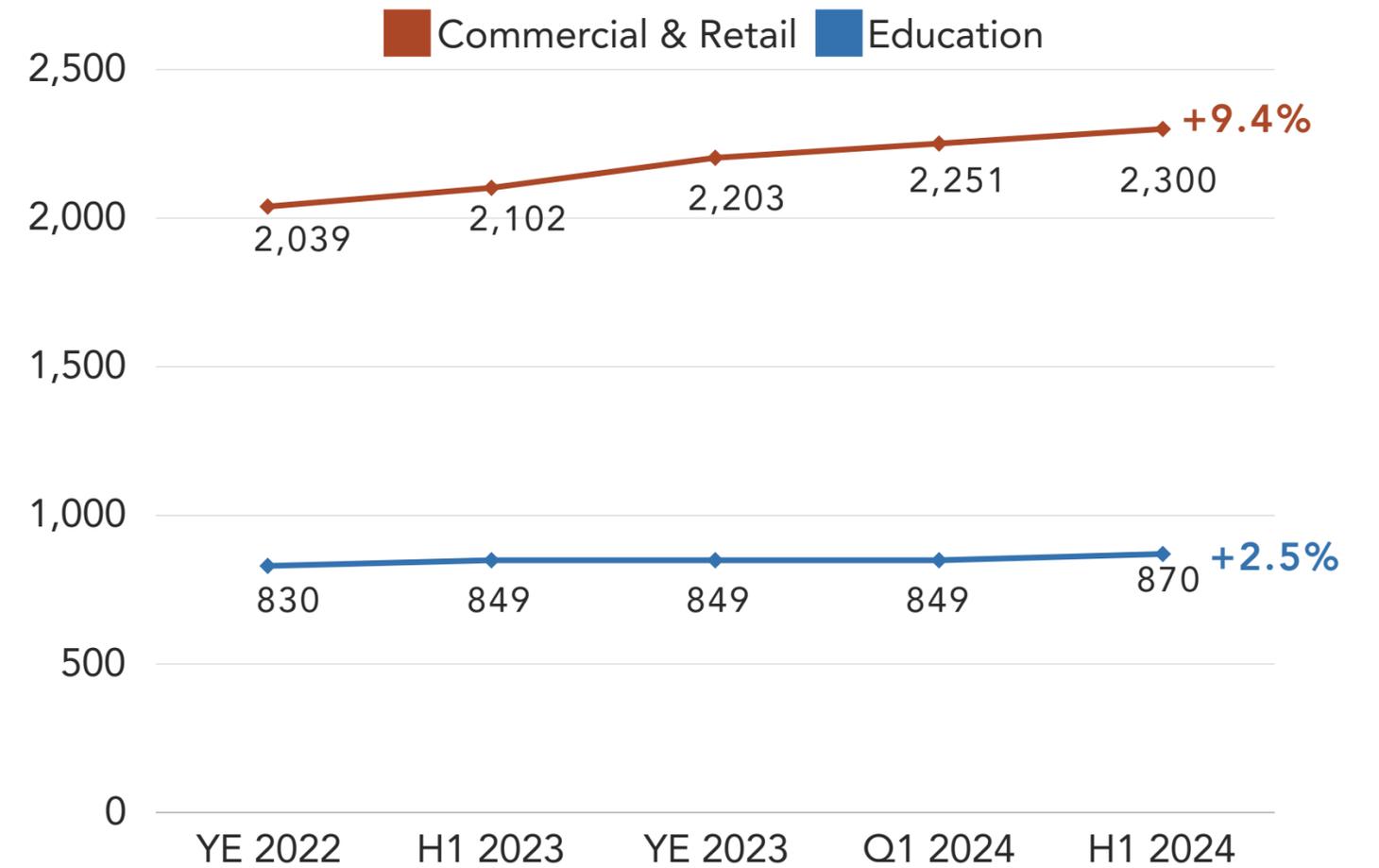
### OCCUPANCY

+5.1 p.p.



### RENTAL RATES

+10%



COMPARISON ON 15 MONTHS

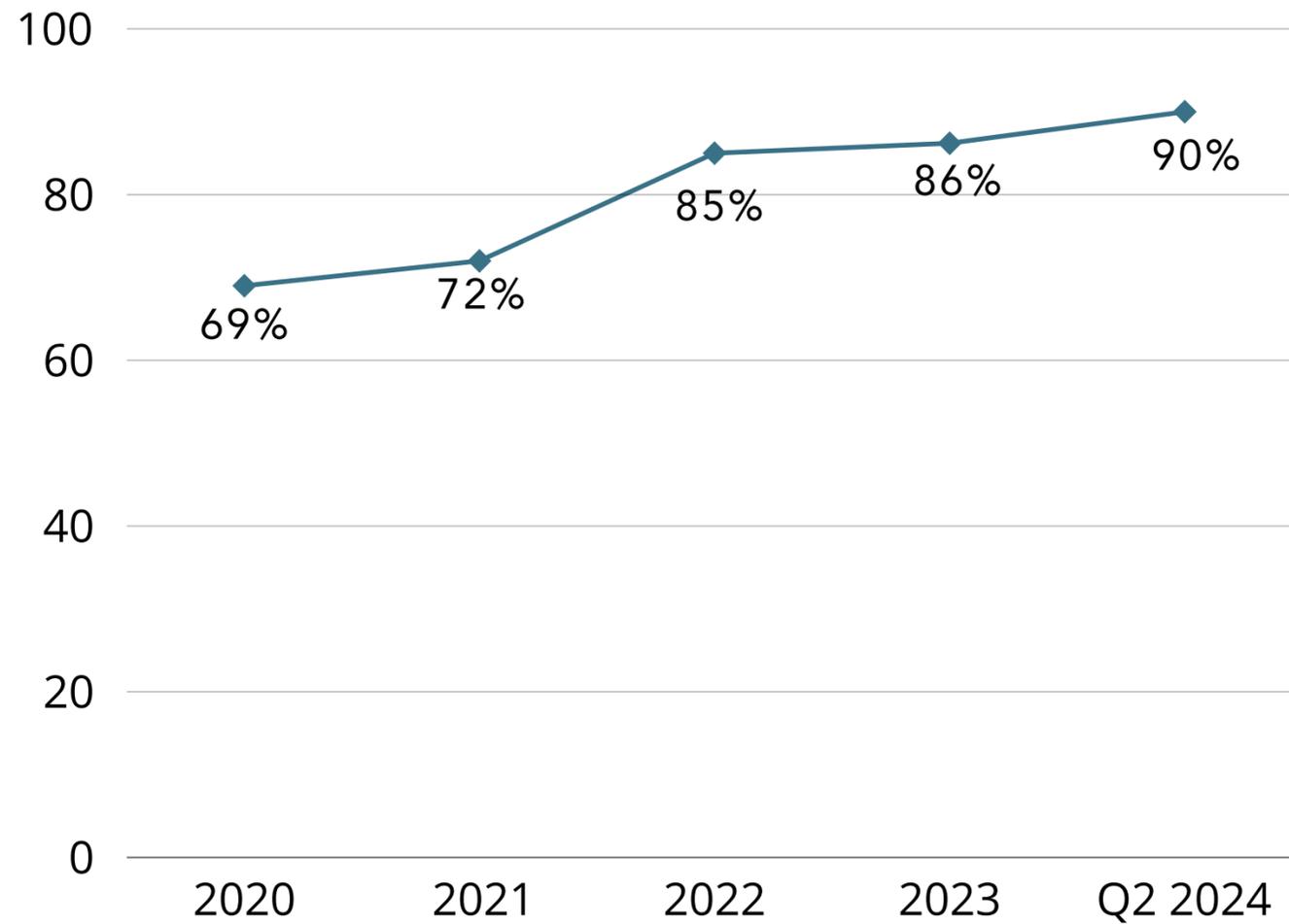
\*Annualized 12 months based on H1 2024 & 2023  
Growth: Year on year, Jun 30, 2024 vs Jun 30, 2023

# OPERATING EXPENSES MANAGEMENT

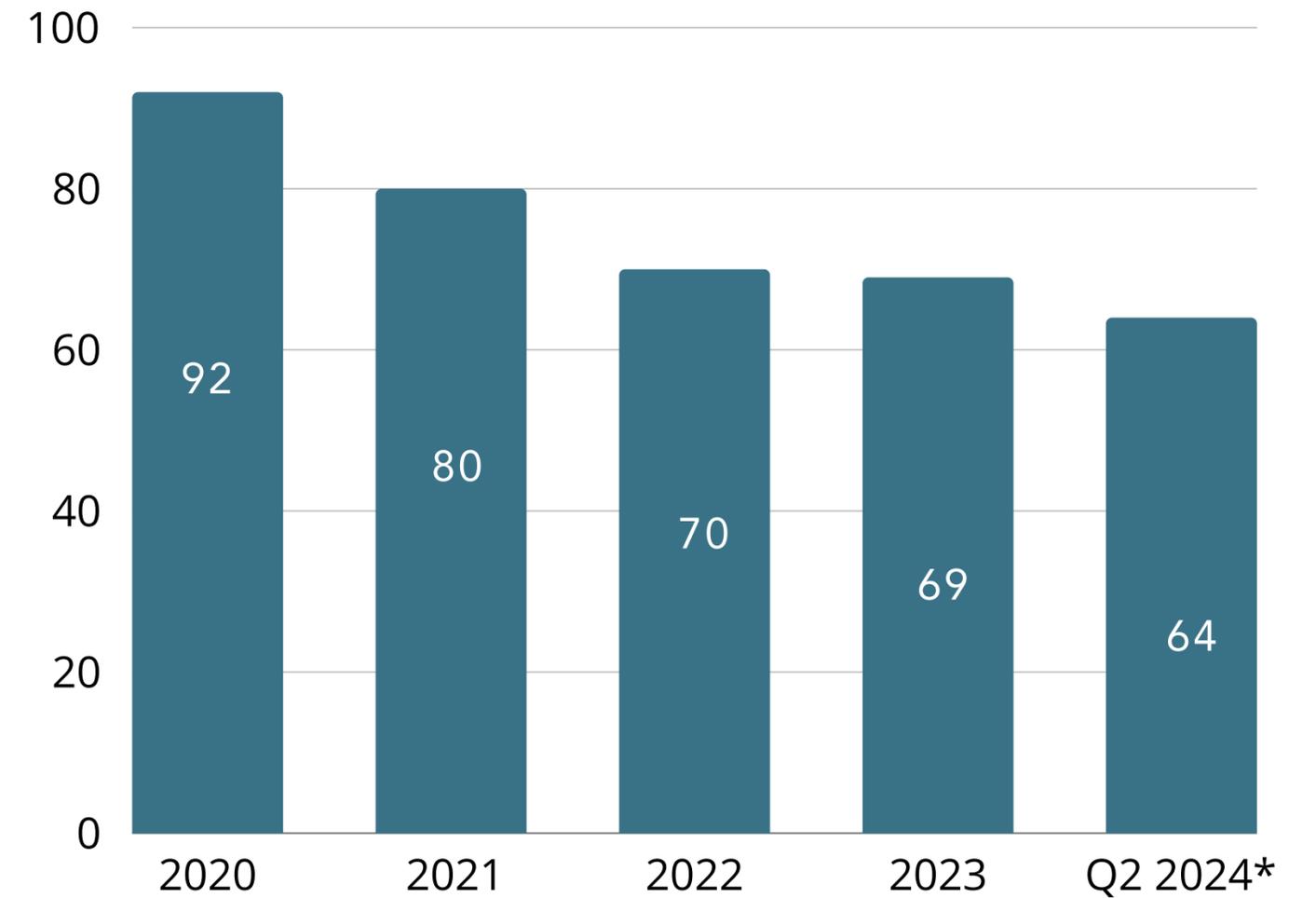


## OPERATIONAL HIGHLIGHTS

### OCCUPANCY (%)



### OPERATING EXPENSES (USD/OCCUPIED M2)



\*ANNUALIZED 12 MONTHS COST BASED ON H1 2024



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# FINANCIAL HIGHLIGHTS

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# INCOME AND EARNINGS - H1 2024



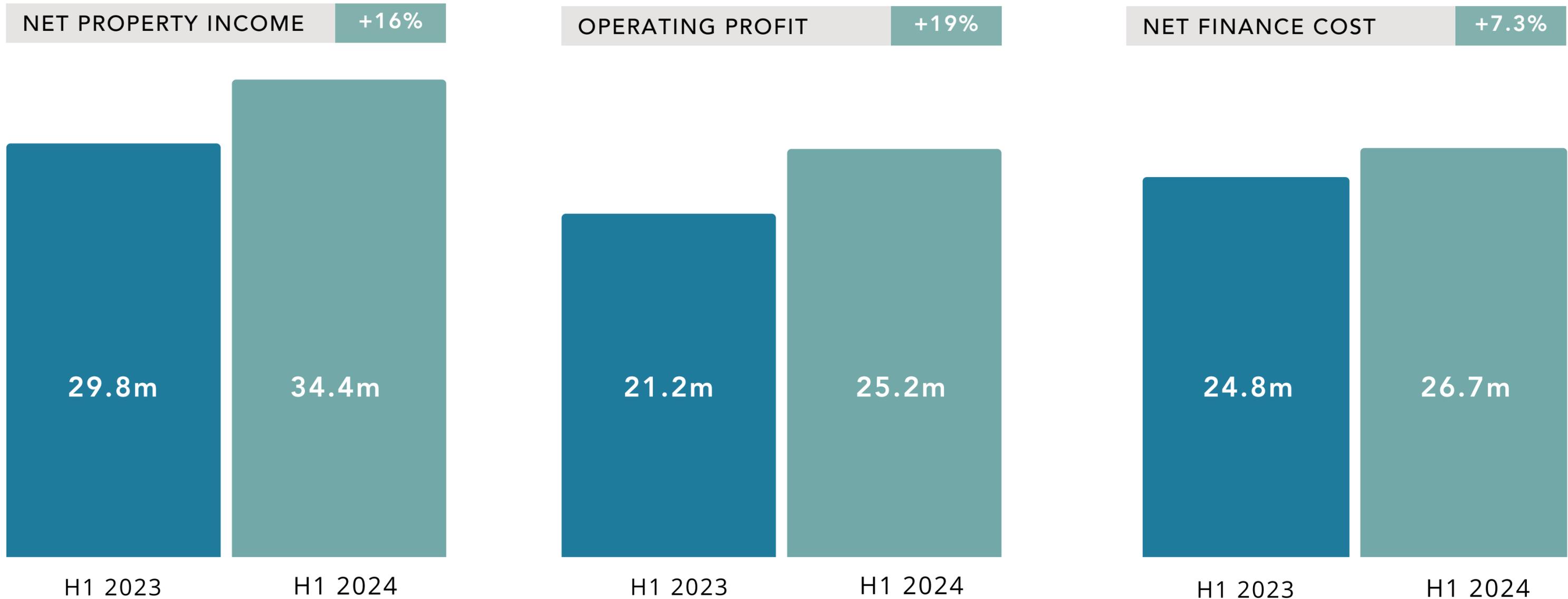
## FINANCIAL HIGHLIGHTS

IN USD M, FOR THE HALF YEAR ENDED	30 JUN 2024	30 JUN 2023	VARIANCE - Y-O-Y
TOTAL PROPERTY INCOME	40.4	36.0	+12%
PROPERTY OPERATING EXPENSES	(6.0)	(6.2)	-3.4%
<b>NET PROPERTY INCOME</b>	<b>34.4</b>	<b>29.8</b>	<b>+16%</b>
FUND EXPENSES	(8.8)	(7.9)	+12%
ALLOWANCE FOR EXPECTED CREDIT LOSS	(0.4)	(0.7)	-40%
<b>OPERATING PROFIT / EBITDA</b>	<b>25.2</b>	<b>21.2</b>	<b>+19%</b>
NET FINANCE COST	(26.7)	(24.9)	+7.3%
(LOSS) / PROFIT BEFORE FAIR VALUATION / FUNDS FROM OPERATIONS (FFO)	<b>(1.5)</b>	<b>(3.7)</b>	<b>+59%</b>
NET UNREALIZED GAIN ON REVALUATION	65.0	50.0	+30%
<b>PROFIT FOR THE YEAR</b>	<b>63.5</b>	<b>46.3</b>	<b>+37%</b>
FFO PER SHARE (USD)	(0.005)	(0.011)	+59%
EARNINGS PER SHARE (USD)	0.199	0.145	+37%

# INCOME AND EARNINGS - H1 2024



## FINANCIAL HIGHLIGHTS



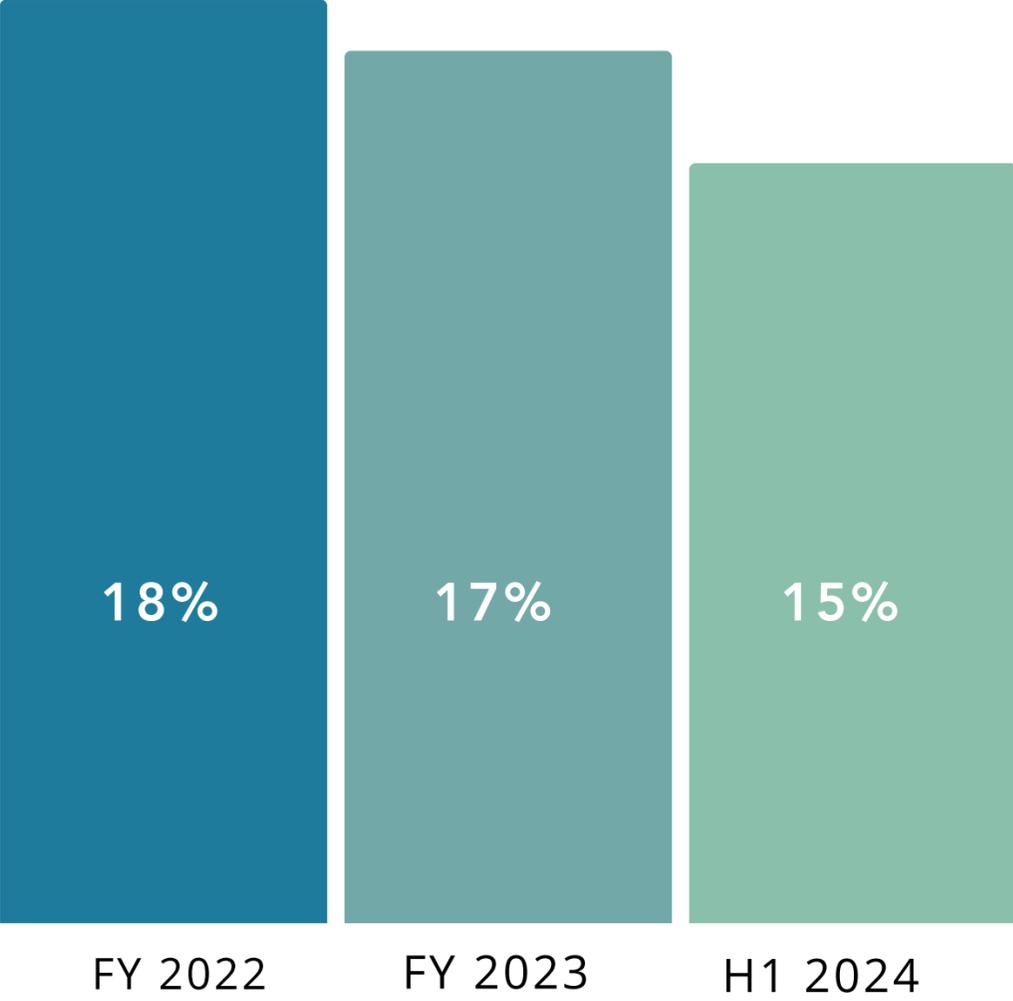


# INCOME AND EARNINGS - H1 2024

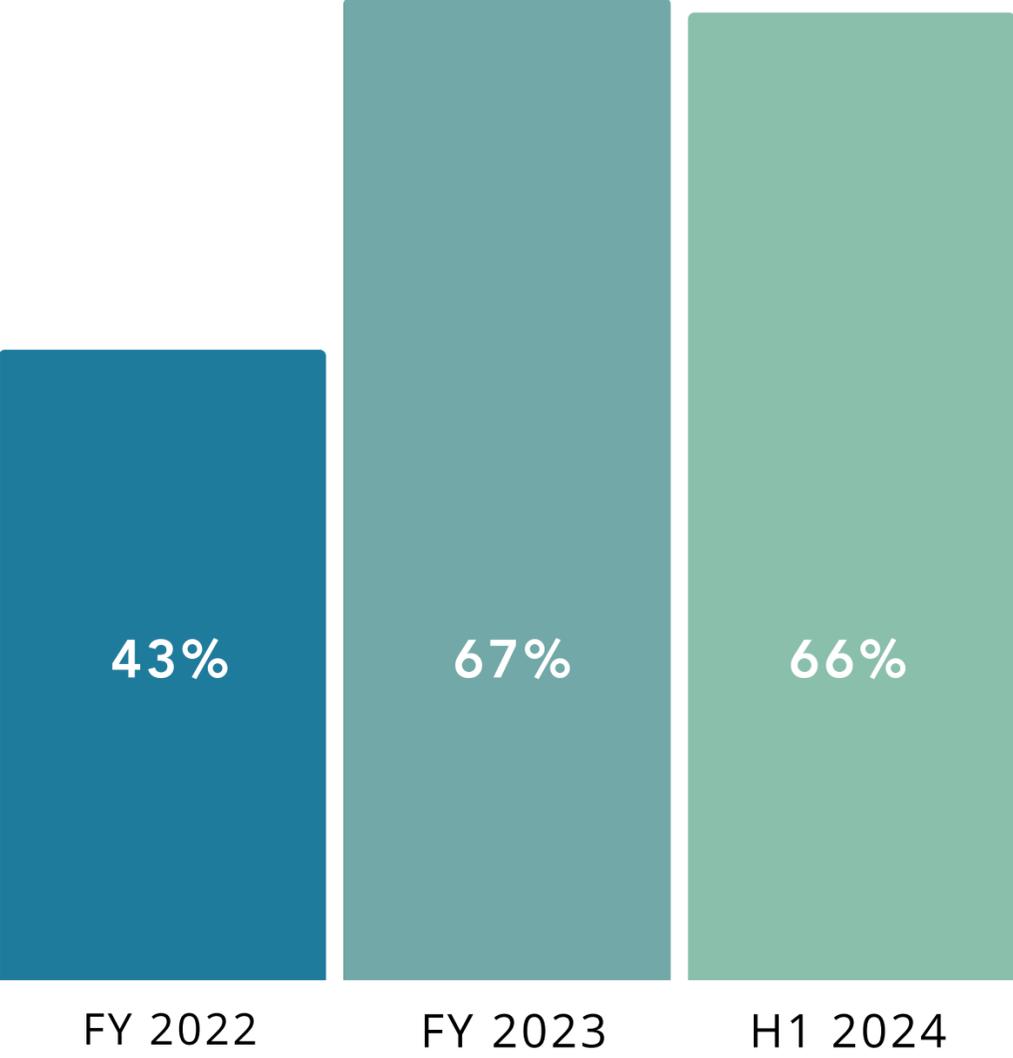


## FINANCIAL HIGHLIGHTS

OPERATING COST %  
OF TOTAL PROPERTY INCOME



NET FINANCE COST %  
OF TOTAL PROPERTY INCOME



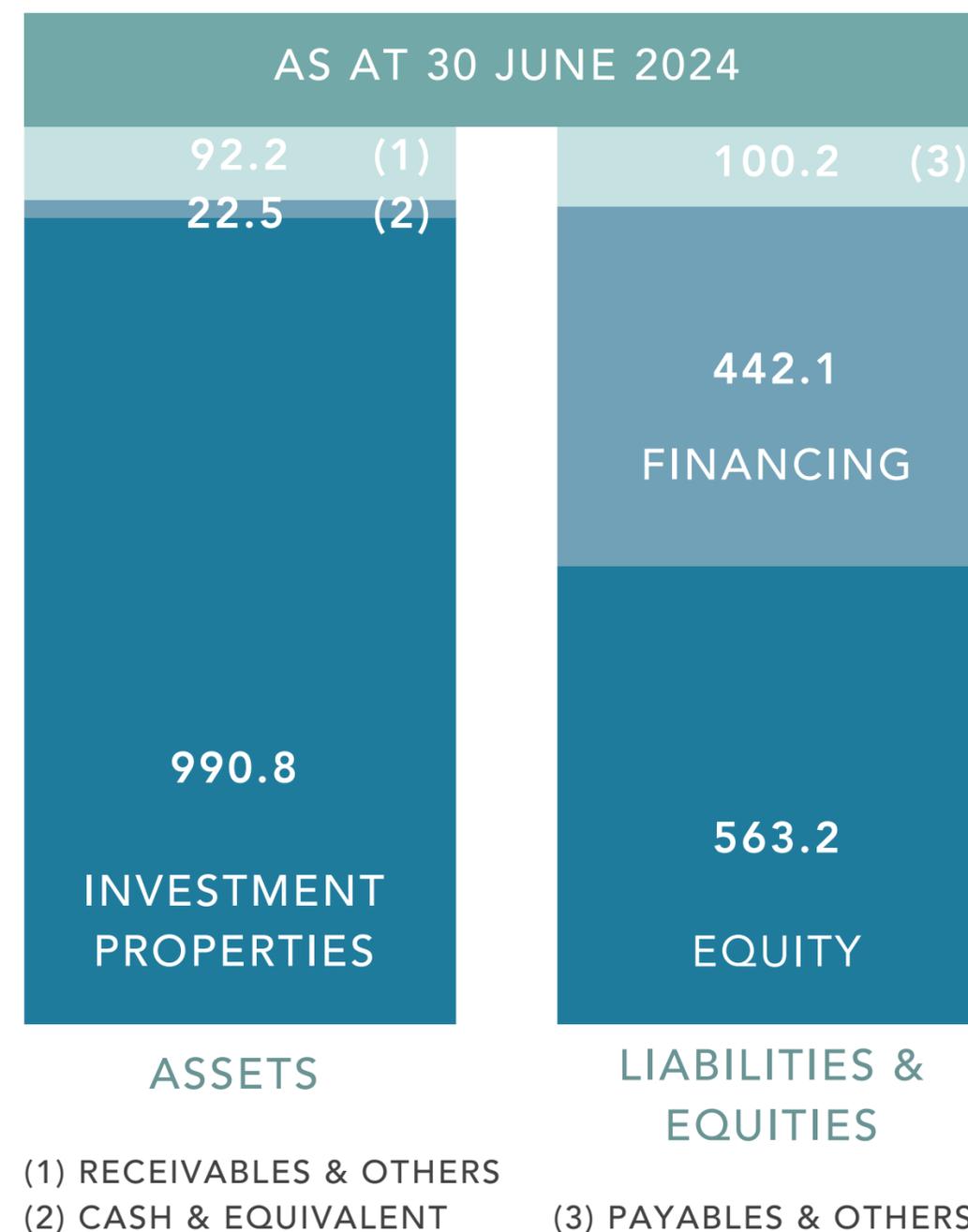
# BALANCE SHEET OVERVIEW - H1 2024



## FINANCIAL HIGHLIGHTS

IN USD M, AS AT	30 JUN 2024	30 JUN 2023	VARIANCE
INVESTMENT PROPERTIES – FAIR VALUE	990.8	838.1	+18%
CASH AND CASH EQUIVALENTS	22.5	22.1	+1.8%
TOTAL ASSETS	1,105.5	951.6	+16%
ISLAMIC FINANCING	442.1	439.5	+0.6%
TOTAL LIABILITIES	542.3	532.7	+1.8%
NET ASSET VALUE	563.2	418.9	+34%
NAV PER SHARE (USD)	1.76	1.31	+34%
FTV (%)*	40%	46%	- 6 p.p.

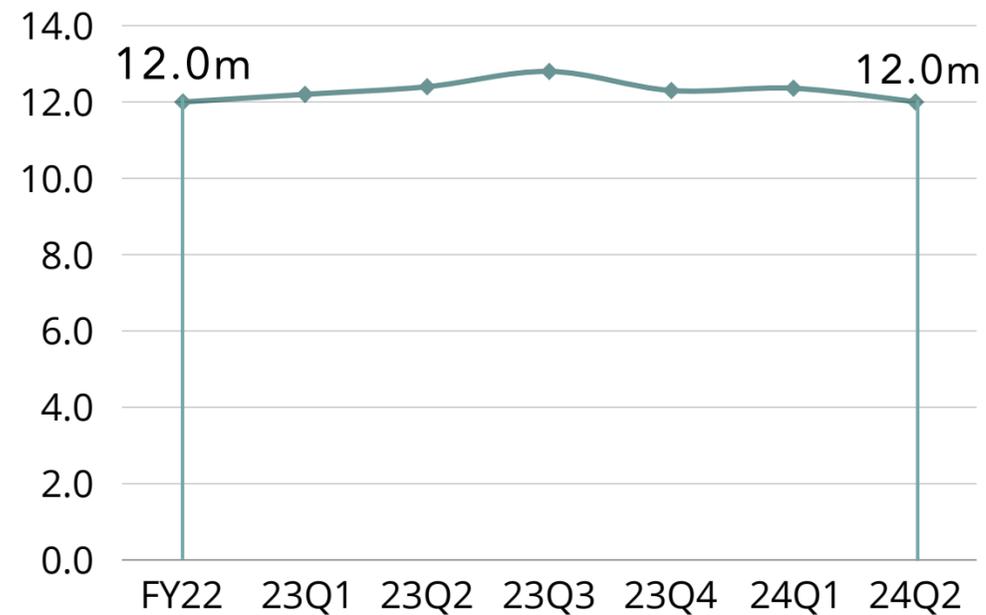
(\*) FINANCING TO ASSET VALUE



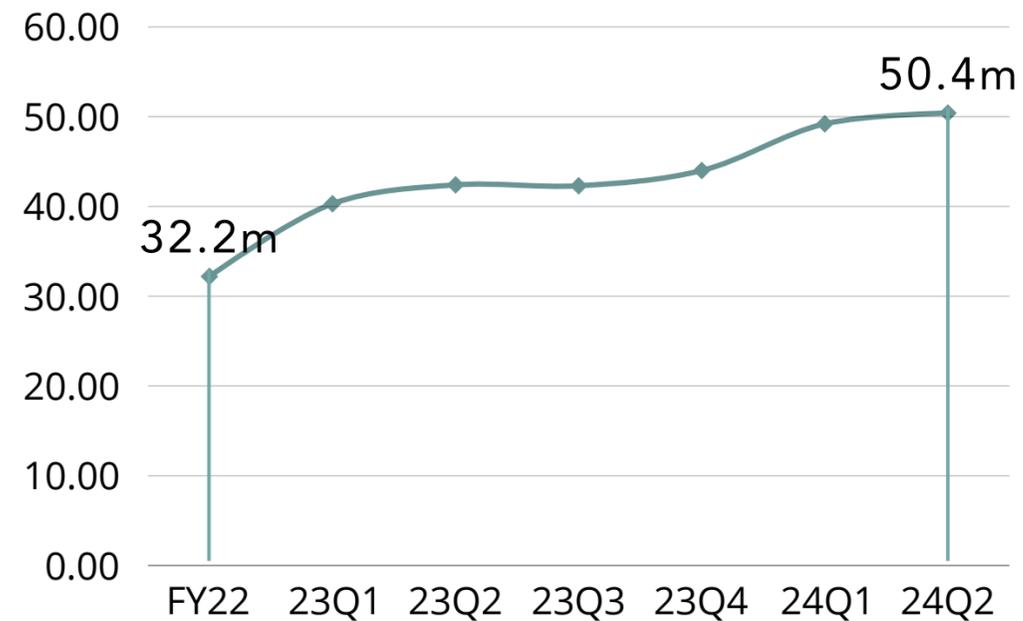


## GROWTH TREND

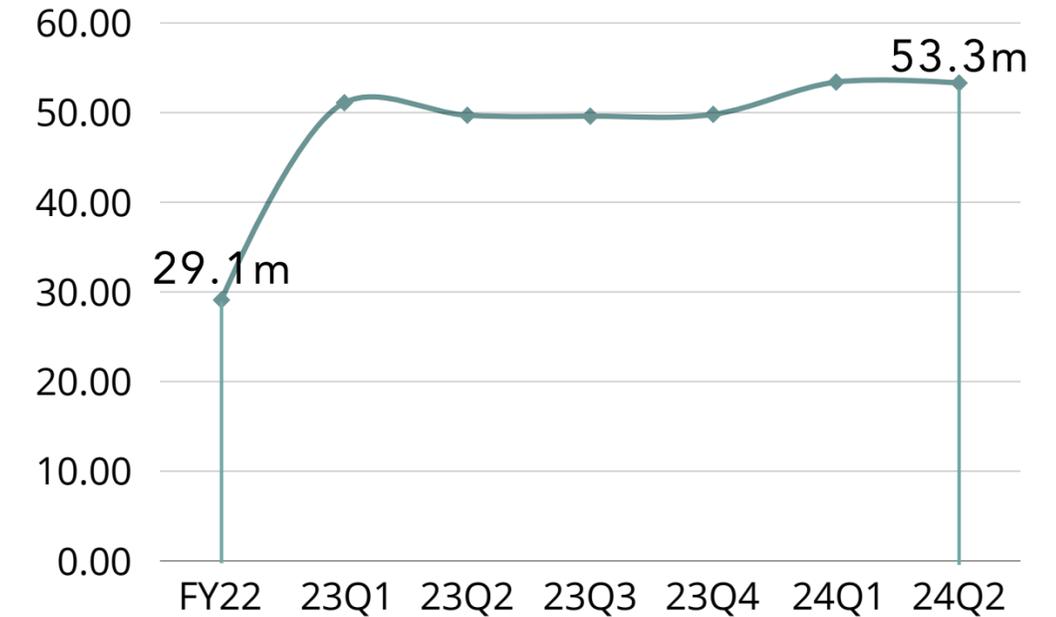
### OPERATING COSTS (USD) **-3.4%**



### OPERATING PROFIT (USD) **+19%**



### NET FINANCE COST (USD) **+7.2%**



The figures presented in this document are annualized unless otherwise stated. Annualization involves projecting financial or statistical data for a period of less than one year into an annual figure for comparison purposes. Please consider this when interpreting the data presented.



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# STRATEGIC UPDATE

## QUESTIONS & ANSWERS



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THANK YOU FOR  
YOUR ONGOING SUPPORT  
AND COMMITMENT  
TO OUR REIT'S SUCCESS

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