

## EQUITATIVA REPORTS EMIRATES REIT FY 2021 RESULTS AND ANNOUNCES THE PROMOTION OF THIERRY LELEU AS CEO

### KEY HIGHLIGHTS

- Net profit reaches USD 63.1m (AED 232m), from a net loss of USD 242.9m (AED 892m) in 2020
- Net Property Income increased by 7.7% year-on-year to USD 56.0m (AED 206m)
- Funds From Operations ("FFO") stands at USD 18.4m (AED 67.6m), 36 times the 2020 FFO
- Net Asset Value per share increased by 28% during the period, closing at USD 0.95 per share
- Appointment of Thierry Leleu as CEO comes as Equitativa looks to consolidate and accelerate Emirates REITs's performance into 2022 and beyond
- Emirates REIT continues to see solid resurgence and growing confidence in Dubai market

**Dubai, 27 April 2022** – Equitativa (Dubai) Limited ("Equitativa"), manager of Emirates REIT (CEIC) PLC ("Emirates REIT" or the "REIT"), today reported the FY 2021 financial results for Emirates REIT. Following a challenging year in 2020 as the COVID-19 pandemic impacted real estate markets globally, the effective response by the UAE government supported a robust and accelerated recovery in local commercial real estate during 2021. Emirates REIT reported a 59.3% increase in operating profit to USD 46.6 million in 2021 compared to the previous year. Net profit for the period was USD 63.1 million, compared to a net loss of USD 242.9 million in 2020.

Overall growth in 2021 was driven by an increase in total property income to USD 68.6 million, up 3.9% compared to the same period in the previous year, as occupancy across the REIT's portfolio grew by c. 2.8 percentage points to 71.8% as at 31 December 2021. Subsequent to the year end, the successful conclusion of ongoing lease negotiations has led to a further increase in occupancy to 81.0% as at 31 March 2022. Net property income increased 7.7% as the REIT continued to focus on cost optimisation.

The REIT booked a net unrealised gain on revaluation of USD 44.7 million in 2021 compared to a loss of USD 243.4 million in 2020, as its independent valuers CBRE and Cushman & Wakefield considered the improving market sentiment in the UAE's commercial and retail real estate markets. The REIT's portfolio has been valued at USD 762.1 million in 2021, a 7.5% increase compared to the previous year. The REIT's net asset value (NAV) at the end of 2021 was USD 289.8 million, equating to a NAV per share of USD 0.95, up 28.3% compared to the previous year.

Following the positive close to 2021, and the emergence of significant new opportunities in the UAE and broader GCC's real estate markets, Equitativa is expanding its management team and governance structures and the Board has appointed Thierry Leleu as CEO of Equitativa (Dubai) Limited, Dr Faisal Alayyan to the REIT's Investment Board, and Simon Townsend to the REIT's Oversight Board.

**Commenting on Emirates REIT's FY 2021 performance and welcoming Thierry as CEO, Sylvain Vieujot, Executive Deputy Chairman of Equitativa said:** "We delivered a strong set of improved results in 2021, following a difficult year in 2020, as the world tackled the COVID-19 pandemic. The swift and decisive actions taken by the UAE's leadership supported a sustained recovery and renewed confidence in the local real estate market in 2021, which drove our improved performance during the year.

"Our operating income increased 59.3% year on year, and we recorded a net unrealised gain on revaluation of USD 44.7 million during the year, as a more positive sentiment returned to the UAE commercial real estate market.

Our portfolio of high-quality commercial assets is ideally positioned to benefit from the continued momentum in the market, as demonstrated by our increasing occupancy rate which continued to grow following the year end increasing to 81.0% in March 2022 from 71.8% at the end of 2021. We also made considerable progress tackling legacy issues during the year, including the DIFC-LCIA award in favour of the REIT with regards to outstanding rent payments by the Jebel Ali School."

**Commenting on his appointment, Thierry Leleu, CEO of Equitativa, said:** "I am grateful for the board's trust and look forward to working with the team for all Emirates REIT's stakeholders. 2022 will be a pivotal year for Emirates REIT. The performance of the business has been strong and resilient despite the previous difficulties presented by the global pandemic. My new role as CEO will see me focused on further improving the operational efficiencies of the REIT and partnering with our stakeholders to enhance its capital structure with the aim to deliver sustainable growth in income and value to our shareholders. With our strong base of investors and balanced portfolio of very high-quality assets, we are well placed to take advantage of the upturn we're seeing in the Dubai property market currently."

Mr. Leleu, who joined Equitativa as Deputy CEO in November 2021, has a strong track record of building and managing REITs. Until September 2020, he was the Chief Investment Officer of Cromwell European REIT, a trust that listed in Singapore in late 2017. During his tenure there, he grew the portfolio by 50% to about three times the size of Emirates REIT's portfolio and drove outperformance for 8 consecutive quarters.

Mr. Vieujot will shift his focus on the growth of Equitativa as Executive Deputy Chairman of Equitativa (Dubai) Limited and will continue to play a critical role in the REIT's strategic oversight and direction as part of the management board.

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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 managers 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.