



IN BRIEF

		VARIANCE Y-O-Y
INVESTMENT PROPERTY	USD 766.3m AED 2.8bn	+5.9%
NET ASSET VALUE	USD 359.7m AED 1.3bn	+30.5%
NAV ⁽¹⁾ PER SHARE (USD)	USD 1.13	+24.5%
NET LETTABLE AREA	203,000 sqm 2.2m sq.ft.	-7.3%
OCCUPANCY ⁽²⁾	81.9%	+13.6p.p.

⁽¹⁾ Net Asset Value

⁽²⁾ On a like-for-like basis, excluding Jebel Ali School from 3Q 2021 occupancy

FINANCIAL HIGHLIGHTS

- Rental, fee & other income for the 9 month period ended Sept 30, 2022 amounted to USD 51.7m compared to USD 45.7m in same period last year (up 13.2% y-o-y). Incorporating the effect of asset disposals, the 3Q YTD 2022 Total Property Income amounted to USD 50.3m compared to USD 52.2m recorded for 3Q YTD 2021 (-3.7% y-o-y).
- 3Q YTD 2022 Property Operating Expenses amounted to USD 9.2m compared to USD 9.7m in 3Q YTD 2021, a y-o-y decline of 4.8% which is a result of continued cost rationalization
- Net Property Income for 3Q YTD 2022 amounted to USD 41.1m compared to USD 42.5m in 3Q YTD 2021 (-3.4% y-o-y). Disregarding the effect of gain / loss on asset disposals, the Net Property Income in 3Q YTD 2022 grew by 18.1% y-o-y.
- 3Q YTD 2022 Fund Expenses are higher 9.6% or USD 1.0m y-o-y, mainly owing to the USD 1.2m voluntary management fee discount granted by REIT Manager last year.
- Net provision on ECL was mainly driven by a USD 0.9m charge on the Jebel Ali School booked in 3Q YTD 2022, compared to a net reversal of USD 7.3m booked during same period last year.
- Due to substantial valuation increase in 2Q 2022, unrealized gain on portfolio revaluation for 3Q YTD 2022 amounted to USD 61.5m which, added to the reported USD 7.5m FFO, resulted in a YTD Net Profit of USD 69.0m (3Q 2021 YTD: USD 49.3m)
- Driven by continued improved valuations, the Investment Property recorded a USD 43.0m increase (+5.9%) y-o-y. On a like-for-like⁽³⁾ basis, Investment Property increased by USD 84.8m y-o-y (+12.4%).
- Islamic Financing reduced by 3.5% y-o-y due to the scheduled amortization of the bilateral financing facilities.
- NAV per share crossed the par value mark to close at USD 1.13 per share as at Sep 30, 2022, a 24.5% y-o-y increase compared to USD 0.91 per share as at Sep 30, 2021.
- Supported by improved profitability, positive impact of portfolio revaluation & facility amortization, the LTV further improved to 51.1% as at 3Q 2022, from 57.2% as of 3Q 2021.

OPERATIONAL HIGHLIGHTS

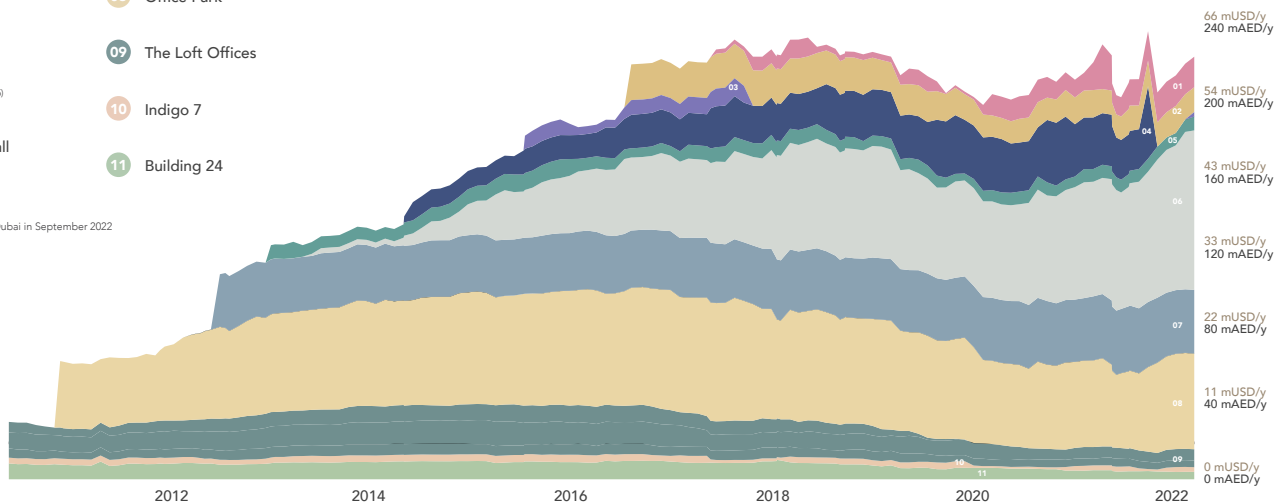
- Occupancy across the portfolio was stable during 3Q 2022 at 81.9%.
- Rental rates across the commercial portfolio increased by 2.8% q-o-q to AED 1,664 per sq.m.
- Rental rates across the education portfolio⁽¹⁾ increased by 2.3% to AED 925 per sq.m.
- On a like for like basis, WALE decreased from 7.8 years to 7.6 years.
- Leasing activity during 3Q 2022:
 - 32 renewals (4,951 sq.m.)
 - 17 new leases (2,108 sq.m.)
 - 17 exits (2,057 sq.m.)
- Occupancy at Index Tower increased by 1.2 p.p. during 3Q 2022 to 80.9% with a blended rental rate increase of 1.3%.
- Occupancy at properties in Media City / Internet City remained stable during 3Q 2022 at 64.5%, with a positive outlook due to the level of new enquiries.
- Works on phase 3 of Lycee Francais Jean Mermoz have been progressing and are scheduled to complete during 1H 2023.
- Works at Durham School were completed and the school opened as scheduled on 5 September 2022.

⁽³⁾ Excludes Jebel Ali School

ANNUALISED RENT

- 01 Lycée Français Jean Mermoz
- 02 European Business Centre
- 03 School in DIP⁽⁴⁾
- 04 Jebel Ali School⁽⁵⁾
- 05 Trident Grand Mall
- 06 Index Tower
- 07 GEMS World Academy
- 08 Office Park
- 09 The Loft Offices
- 10 Indigo 7
- 11 Building 24

⁽⁴⁾ Reopened as Durham School Dubai in September 2022
⁽⁵⁾ Sold in May 2022





INCOME AND EARNINGS

IN USD M	FOR THE 9 MONTH PERIOD ENDED		
	SEP 30, 2022	SEP 30, 2021	VARIANCE Y-O-Y
RENTAL, FEE & OTHER INCOME	51.7	45.7	+13.2%
(LOSS) / GAIN ON DISPOSAL OF INVESTMENT PROPERTY	(1.4)	6.5	(122.4%)
TOTAL PROPERTY INCOME	50.3	52.2	(3.7%)
PROPERTY OPERATING EXPENSES	(9.2)	(9.7)	(4.8%)
NET PROPERTY INCOME	41.1	42.5	(3.4%)
FUND EXPENSES	(12.0)	(11.0)	+9.6
(ALLOWANCE) / REVERSAL FOR EXPECTED CREDIT LOSS	(0.9)	6.5	(1.14x)
OPERATING PROFIT	28.1	38.0	(26.0%)
FINANCE COST	(18.6)	(19.1)	(2.4%)
IFRS 16 FINANCE CHARGE	(2.0)	(2.1)	(0.7%)
PROFIT BEFORE FAIR VALUATION / FUNDS FROM OPERATIONS (FFO)	7.5	16.9	(55.7%)
NET UNREALIZED GAIN ON REVALUATION	61.5	32.4	+89.7%
NET PROFIT FOR THE PERIOD	69.0	49.3	+39.9%
FAIR VALUE ADJUSTMENT ON CASH FLOW HEDGES	0.9	0.8	+14.8%
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	69.9	50.1	+39.5%
FFO PER SHARE (USD)	0.023	0.056	(57.7%)
EARNINGS PER SHARE (USD)	0.216	0.162	+33.5%

BALANCE SHEET

IN USD M	AS AT		
	SEP 30, 2022	SEP 30, 2021	VARIANCE Y-O-Y
INVESTMENT PROPERTY	766.3	723.4	+5.9%
TOTAL ASSETS	915.7	848.0	+8.0%
ISLAMIC FINANCING	467.7	484.7	(3.5%)
TOTAL LIABILITIES	556.0	572.4	(2.9%)
EQUITY / NET ASSET VALUE (NAV)	359.7	275.6	+30.5%
LTV (%)	51.1%	57.2%	(6.1p.p.)
NAV PER SHARE (USD)	1.13	0.91	+24.5%

Due to rounding, numbers presented throughout this section may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. The summary financial information presented is extracted from the unaudited financial statements.