



EQUITATIVA REPORTS ROBUST 9M 2022 FOR EMIRATES REIT RESULTS
WITH NET PROFIT UP 39.9% YEAR-ON-YEAR, NAV PER SHARE INCREASES
TO USD 1.13/SHARE

KEY HIGHLIGHTS

- **Fair Value of Investment Property up 5.9%** year-on-year, closing at USD 766.3m (AED 2,814.6m) at as September 30, 2022
- **Net Asset Value increased by 30.5%** year-on-year, closing at USD 359.7m (AED 1,321.2m)
- **Occupancy reached 82%**, a 13.6 percentage point increase year-on-year⁽¹⁾
- **Rental & other income** stands at USD 51.7m (AED 189.8m), **up 13.2%** year-on-year
- Total Property **expenses declined by 4.8%** year-on-year to USD 9.2m (AED 33.8m)
- Unrealized Revaluation Gain on fair value of investment properties amounted to USD 61.5m (AED 225.9m)
- **Net Profit increased by 39.9%** year-on-year to USD 69.0m (AED 253.4m)
- Net Asset Value per share surpassed par value to close at USD 1.13 per share as at September 30, 2022, compared to USD 0.91 per share as at September 30, 2021

Dubai, 24 November 2022 – Equitativa (Dubai) Limited (“Equitativa”), manager of Emirates REIT (CEIC) PLC (“Emirates REIT” or the “REIT”), today reported the 9M 2022 financial results for Emirates REIT. The REIT delivered another strong set of results buoyed by Dubai’s thriving commercial real estate market, a stable economic environment in the UAE, and positive regulatory reforms that continue to attract new businesses to the country. 9M 2022 net profit increased 39.9% year-on-year to USD 69.0 million, driven by an unrealized gain on portfolio revaluation of USD 61.5 million during the period.

The continued demand for premium office space enabled Emirates REIT to increase occupancy across its portfolio to 81.9% as at September 30, 2022, a 13.6 percentage point increase year-on-year. Average rents across its commercial and educational portfolio continue to increase quarter-on-quarter by 2.8% and 2.3%, respectively.

The REIT reported Total Property Income of USD 50.3 million in 9M 2022, compared to USD 52.2 million in the same period last year. On a like-for-like basis, excluding the impact of the one-off gain / loss on disposal of investment property derived from the sale of half a floor in Index Tower in 1H 2021 and the sale of Jebel Ali School in 1H 2022, Total Property Income increased by 18.1% year-on-year, reflecting the underlying strength of the REIT’s portfolio.

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

The REIT maintained a strong focus on cost optimisation and discipline, resulting in a 4.8% year-on-year decline in Property Operating Expenses to USD 9.2 million in 9M 2022. Consequently, Net Property Income for the period was USD 41.1 million (9M 2021: USD 42.5 million). Excluding the impact of the aforesaid one-off gain / loss on disposal of investment property, Net Property Income increased 18.6% year-on-year.

The value of the REIT's portfolio at the end of 9M 2022 was USD 766.3 million, representing a 12.4% increase year-on-year, normalizing for the impact of the asset disposal during the period. As at September 30, 2022, the REIT's Net Asset Value (NAV) was USD 359.7 million, equating to a NAV per share of USD 1.13.

Commenting on Emirates REIT's 9M 2022 performance, Thierry Leleu, Chief Executive Officer of Equitativa, said: "Emirates REIT maintained its robust growth trajectory during the first nine months of 2022, demonstrating the quality of our assets and our ability to generate value from the continued positive market conditions in the UAE. The REIT's net profit increased 39.9% year-on-year to USD 69.0 million, supported by the upward revaluation of our property portfolio. The active and disciplined management of our portfolio and value-added services for our tenants supported a 13.6 percentage point increase in like-for-like occupancy across our portfolio to 81.9% during the period, underscoring our ability to deliver consistent, long-term returns.

Importantly, we launched last week a consent solicitation process relating to the existing U.S.\$400,000,000 certificates due 2022 issued by Emirates REIT Sukuk Limited. We have reported yesterday that 84% of the certificateholders had cast their vote before the early participation deadline with more than 99% of those votes cast in favour of the consent solicitation. The 75% threshold requirement for certificateholder approval is therefore exceeded and we look forward to the formality of the meeting of certificateholders on 6 December 2022 to approve the consent solicitation."

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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 10 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.