

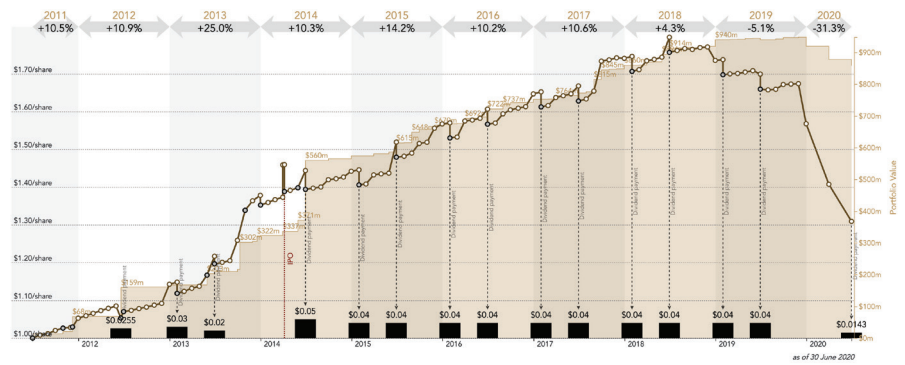


IN BRIEF

PORTFOLIO VALUE	USD 858.0m AED 3.2bn
NET ASSET VALUE	USD 398m AED 1.5bn
NAV* PER SHARE	USD 1.31
NET LEASABLE AREA	219,831 m ² 2.4m sq.ft.
OCCUPANCY	71%

* Net Asset Value

PERFORMANCE



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.

FINANCIAL HIGHLIGHTS

- **Total Property Income** decreased by 6.1% year-on-year to USD 34.0m (AED 124.9m)
- **Provision on receivables** increased to USD 3.8m (AED 13.9m) v/s USD 0.5m in H1 2019 (AED 2.0m) due to rent payment delay from a large tenant
- **EBITDA** decreased by 23.8% year-on-year to USD 15.4m (AED 56.5m)
- **FFO** stands at USD 0.9m (AED 3.2m)
- **Net Loss** for H1 2020 stands at USD 70.0m (AED 257.3m) due to large marked-to-market revaluation losses of USD 70.9m (AED 260.4m)
- **Net Asset Value** stood at USD 397.9m (AED 1.46bn) or USD 1.31 per share (H1 2019 : USD 497.2m or USD 1.66 per share)

OPERATIONAL HIGHLIGHTS

- **Managing impact of Covid pandemic**
 - Focus on tenant retention
 - Over 130 requests to provide rental relief
 - Proactive approach to provide rent deferrals and flexibility to offer lease renewals
 - Situation now stabilised, re-engaging with new rental enquiries
- **Occupancy** 71%, a Y-o-Y decrease of 3%
- **Average Rental Rate** decrease of 4% Y-o-Y
- **Weighted Average Lease Term** increased to 8.4 years
- **Total tenants:** 306 (vs 337 in H1 2019)
- **Rental Income** decreased by 6.7%
- **Net operating income** decreased by 7.5%

DISCLAIMER

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 management accounts. This document is only for ease of use and for details please refer to the audited Financial Statements published on Emirates REIT website.



INCOME AND EARNINGS

IN USD THOUSANDS	30 JUN 2020	30 JUN 2019	VARIANCE Y-O-Y
TOTAL PROPERTY INCOME	34,003	36,206	(6.1%)
PROPERTY OPERATING EXPENSES	(6,680)	(6,653)	+0.4%
NET PROPERTY INCOME	27,323	29,553	(7.5%)
FUND EXPENSES	(8,153)	(8,830)	(7.7%)
ALLOWANCE FOR EXPECTED CREDIT LOSS	(3,789)	(545)	(6x)
OPERATING PROFIT / EBITDA	15,381	20,178	(23.8%)
NET FINANCE COST ⁽¹⁾	(14,496)	(14,008)	+3.5%
PROFIT BEFORE FAIR VALUATION / FUNDS FROM OPERATIONS (FFO) ⁽²⁾	885	6,170	(85.7%)
NET UNREALIZED (LOSS) / GAIN ON REVALUATION ⁽³⁾	(70,930)	(5,037)	(13x)
(LOSS) / PROFIT FOR THE YEAR	(70,045)	1,133	(63x)
FAIR VALUE ADJUSTMENT ON CASH FLOW HEDGES	(1,741)	—	—
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR	(71,787)	1,133	(64x)
FFO PER SHARE	0.0030	0.0206	(85.7%)
(LOSS) / EARNINGS PER SHARE	(0.24)	0.0038	(63x)

⁽¹⁾ IFRS 16 was adopted effective from 01 January 2019, in line with IFRS financial reporting requirements

⁽²⁾ Funds from operations comprises of profit for the year excluding unrealized (loss) / gain on revaluation

⁽³⁾ Net Unrealised (loss) / gain on revaluation include change in fair value of right-of-use asset required under IFRS 16

BALANCE SHEET

IN USD THOUSANDS	30 JUN 2020	30 JUN 2019	VARIANCE Y-O-Y
INVESTMENT PROPERTY	857,966	939,979	(8.7%)
TOTAL ASSETS	984,362	1,097,615	(10.3%)
ISLAMIC FINANCING	501,075	516,805	(3.0%)
TOTAL LIABILITIES	586,438	600,448	(2.3%)
EQUITY / NET ASSET VALUE (NAV)	397,923,756	497,166,751	(20.0%)
LTV	50.9%	47.1%	+3.8%
NAV PER SHARE	1.31	1.66	(21.1%)

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