

EQUITATIVA REPORTS STRONG FY 2022 RESULTS FOR EMIRATES REIT
WITH NET PROFIT UP 30% YEAR-ON-YEAR,
NAV PER SHARE INCREASES TO USD 1.17/SHARE

KEY HIGHLIGHTS

- Fair Value of Investment Properties up 6% year-on-year, closing at USD 785m (AED 2.9b) as at December 31, 2022
- Net Asset Value increased by 29% year-on-year, closing at USD 373m (AED 1.4b)
- Occupancy reached 85%, a 13 percentage point increase year-on-year
- Rental, fee & other income stands at USD 69m (AED 253m), up 11% year-on-year
- Total Property operating expenses declined by 4% year-on-year to USD 12m (AED 44m)
- Net unrealized revaluation gain on fair value of investment properties amounted to USD 79m (AED 290m)
- Net Profit increased by 30% year-on-year to USD 82m (AED 301m)
- Net Asset Value per share increased to USD 1.17 per share as at December 31, 2022, compared to USD 0.95 per share as at December 31, 2021

Dubai, 4 April 2023 – Equitativa (Dubai) Limited (“Equitativa”), manager of Emirates REIT (CEIC) PLC (“Emirates REIT” or the “REIT”), today reported Emirates REIT’s financial results for the year ended December 31, 2022. The REIT delivered a robust set of results during the year driven by the strategic management of its portfolio and an extremely strong market for commercial real estate in Dubai. Net profit for the year increased 30% to USD 82 million, largely driven by net unrealized gain on portfolio revaluation of USD 79 million during the year. The positive performance also reflects the quality of assets in the REIT’s portfolio which is well positioned to capture growing demand for premium office space in Dubai.

Occupancy across Emirates REIT’s portfolio increased to 85% as of December 31, 2022, a 13 percentage point increase year-on-year. This translated in an increased core rental, fee and other income which amounted to USD 69 million, up 11% compared to the USD 62 million recorded in the previous year.

The REIT maintained a strong focus on cost optimisation and discipline, resulting in a 4% year-on-year decline in Property Operating Expenses to USD 12 million in 2022, supporting a 4 percentage point improvement in Net Property Income Margin to a robust 94%. Consequently, Net Property Income for the period was USD 55 million (FY 2021: USD 56 million). Excluding the impact of the one-off gain / loss on disposal of investment properties, Net Property Income increased 15% year-on-year, demonstrating the strong market for the REIT’s core assets.

The fair value of the REIT's investment properties as at 31 December 2022 was USD 785 million, representing a 6% increase year-on-year. The Net Asset Value increased 29% year-on-year to USD 373 million, equating to USD 1.17 per share.

Commenting on Emirates REIT's 2022 performance, Sylvain Vieujot, Executive Deputy Chairman of Equitativa, said: "Emirates REIT has delivered a strong set of operational results for 2022, underpinned by the robust market for premium commercial real estate in Dubai, with the city consolidating its position as a global business hub and a safe haven from growing global economic instability. Our portfolio of premium commercial and education real estate assets continues to generate strong demand, with occupancy across our portfolio increasing to 85% by the end of 2022. As a result, net profit increased 30% year on year to USD 82 million as the value of our portfolio increased, reflecting the quality of our assets.

In 2022, we also successfully refinanced our USD 400 million Sukuk. The positive conclusion to this process removed a large degree of uncertainty related to the REIT's financial position.

We are also happy to welcome Thierry Delvaux who is joining Equitativa as CEO to foster a new phase of growth. Replacing Mr. Leleu, Mr. Delvaux joins from JLL where he was most recently Chief Executive Officer, Middle East, Africa and Turkey. Prior to this, Mr. Delvaux held a number of global strategic and leadership positions at JLL during his more than 20-year tenure. Subject to the DFSA's approval, he will assume his new role in the coming months."

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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.