



IN BRIEF

		VARIANCE Q-O-Q
INVESTMENT PROPERTIES	USD 797.0 m AED 2.9 bn	+1.5%
NET ASSET VALUE	USD 380.2 m AED 1.4 bn	+2.0%
NAV* PER SHARE	USD 1.19	+2.0%
NET LETTABLE AREA	202,950 sqm 2.2m sq.ft.	0.0%
OCCUPANCY	84.5%	-0.1 p.p.

FINANCIAL HIGHLIGHTS

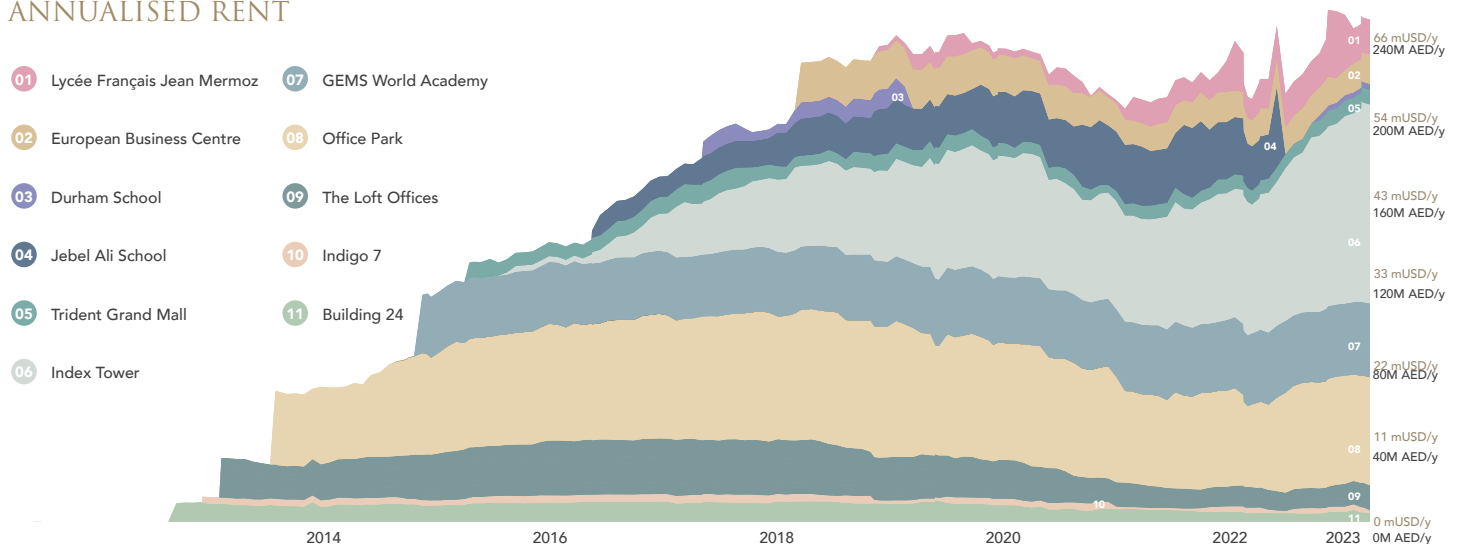
- In line with overall stable portfolio occupancy levels since Q4 2022 the total property income grew by 1.1% and closed at USD 17.2m in Q1 2023 as compared to USD 17.1m reported in the last quarter.
- Property expenses increased slightly, impacting the net property income, which amounted to USD 14.2m in Q1 2023, down 0.4% q-o-q.
- Operating profit registered an increase & amounted to USD 10.1m in Q1 2023 as compared to USD 4.1m Q4 2022, mainly due to one off Sukuk refinancing costs recorded in Q4 2022.
- Despite reduction in Islamic financing by 5% driven by rising benchmark rates and higher Sukuk costs the finance cost for Q1 2023 amounted to USD 12.1m up 56.6% from last quarter.
- This exerted pressure on the Funds From Operations (FFO) which albeit improving from last quarter remained in negative territory and closed at USD -2.7m.
- Fair value of investment properties appreciated 1.5% q-o-q, to close at USD 797.0m (Q4 2022: USD 784.9m), resulting in an unrealized gain of USD 10.3m in Q1 2023. Consequently the Net Profit for Q1 2023 amounted to USD 7.6m down 41.3% q-o-q.
- Resulting from an appreciating portfolio value and supported by reduced Islamic Financing, NAV per share grew by 2% and closed at USD 1.19 per share in Q1 2023 (Q4 2022: USD 1.17 per share).

OPERATIONAL HIGHLIGHTS

- Occupancy in the portfolio increased by 3.1 p.p Y-o-Y to 84.5% as at March 31st, 2023.
- Passing rental rates across the commercial and retail portfolio increased by 14.9% y-o-y from AED 1,588 sqm/y to AED 2,047 sqm/y.
- Rental rates across the education portfolio increased by 12.3% to AED 732 sqm/y⁽¹⁾.
- WALE decreased by 2.8% to 6.9 years.
- Leasing activity has remained throughout the year with strong attractiveness of free zone for new entrants.
- Growth was driven by a strong occupancy increase of 10 p.p. Y-o-Y at Index Tower and good recovery at our properties in Dubai Media City / Internet City and Knowledge Village.

⁽¹⁾ on a like for like basis, excluding Jebel Ali School, sold May 2022

ANNUALISED RENT





INCOME AND EARNINGS

IN USD M	FOR THE QUARTER ENDED		
	31 MAR 2023	31 DEC 2022	VARIANCE Q-O-Q
TOTAL PROPERTY INCOME	17.2	17.1	+1.1%
PROPERTY OPERATING EXPENSES	(3.1)	(2.8)	+8.5%
NET PROPERTY INCOME	14.2	14.2	(0.4%)
FUND EXPENSES	(3.7)	(9.7)	(61.2%)
ALLOWANCE FOR EXPECTED CREDIT LOSS	(0.4)	(0.5)	(27.6%)
OPERATING PROFIT	10.1	4.1	+147.9%
FINANCE COST	(12.1)	(7.7)	+56.6%
IFRS 16 FINANCE CHARGE	(0.7)	(0.7)	(1.6%)
PROFIT / (LOSS) BEFORE FAIR VALUATION / FUNDS FROM OPERATIONS (FFO)	(2.7)	(4.3)	(37.8%)
NET UNREALIZED GAIN ON REVALUATION	10.3	17.3	(40.4%)
NET PROFIT FOR THE PERIOD	7.6	13.0	(41.3%)
FAIR VALUE ADJUSTMENT ON CASH FLOW HEDGES	-	(0.1)	(100%)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	7.6	12.9	(40.9%)
FFO PER SHARE (USD)	(0.008)	(0.014)	(37.8%)
EARNINGS PER SHARE (USD)	0.024	0.041	(41.3%)

BALANCE SHEET

IN USD M	AS AT		
	31 MAR 2023	31 DEC 2022	VARIANCE Q-O-Q
INVESTMENT PROPERTIES	797.0	784.9	+1.5%
TOTAL ASSETS	916.8	929.6	(1.4%)
ISLAMIC FINANCING	439.9	462.9	(5.0%)
TOTAL LIABILITIES	536.6	557.0	(3.7%)
EQUITY / NET ASSET VALUE (NAV)	380.2	372.6	+2.0%
LTV	48.0%	49.8%	(1.8 p.p.)
NAV PER SHARE (USD)	1.19	1.17	+2.0%

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.