

ENBD REIT Announces Q1 Results to 30th June 2023

- **Portfolio occupancy continues to improve to 92%**
- **Total property portfolio value up 1.5% Q-o-Q and 5.1% Y-o-Y to USD 375m**
- **Net Asset Value up 2.2% Q-o-Q to USD 183 million or USD 0.73 per share**
- **50% of debt hedged during the quarter positively impacting finance costs**

Dubai, United Arab Emirates, 7 August 2023: [ENBD REIT](#) (CEIC) PLC, the Shari'a compliant real estate investment trust managed by Emirates NBD Asset Management Limited, has announced its financial results for the first quarter ended 30th June 2023. ENBD REIT's NAV stood at USD 183.4 million or USD 0.73 per share, compared to a USD 179.4 million cum dividend NAV for the previous quarter. When adjusting for the USD 4.5 million final dividend payment in July, NAV increased by 4.8% quarter-on-quarter. This performance comes as the Company continues to capture the benefits from the market recovery and strong leasing activity.

ENBD REIT's property portfolio value rose 1.5% to USD 375 million this quarter and 5.1% year-on-year supported by occupancy climbing to 92% compared to 88% as at 31st March 2023 and 83% a year ago. The continued improvement reflects the benefits of the investments made to improve the tenant offering across key assets driving gross income to USD 8.3 million, up 2.7% Q-o-Q and 10.3% Y-o-Y. Operating expenses rose 5.8% to USD 1.8 million during the quarter in line with the continued improvements in occupancy across the portfolio.

Despite finance costs more than doubling compared to the previous year, the successful hedging of 50% of the debt this quarter is already having positive benefits. As a result, finance costs decreased by 2.6% this quarter to USD 3.6 million, further enhancing predictability during the current interest rate cycle. Fund expenses rose on the back of the improved valuations and inflationary pressures on service providers.

Melanie Fernandes, Portfolio Manager at Emirates NBD Asset Management, said:

"The continued increase in the portfolio occupancy to 92%, the highest since 2018, and improved income, is supporting the positive trend in our valuation. We anticipate sustained market positivity and rising occupancies to drive income growth."

Asif Siddique, designated CFO for ENBD REIT, added:

"On the cost side, the proactive steps taken to successfully hedge 50% of our exposure during the quarter will continue to mitigate the impact of the current interest rate cycle on finance costs."

"In the current market, potential disposals are being carefully considered to lower the LTV towards our target range of 40-45% which in turn should also improve shareholder returns."

The Weighted Average Unexpired Lease Term ("WAULT") improved to 4 years for the overall portfolio on the back of the strong leasing activity. The Loan-to-Value ("LTV") ratio reduced to 52% in line with the valuation improvements.

-Ends-

PRESS RELEASE

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ABOUT ENBD REIT

ENBD REIT (CEIC) PLC (“ENBD REIT”) is a Shari’a compliant real estate investment trust managed by Emirates NBD Asset Management Limited (the “Fund Manager”), listed on Nasdaq Dubai under ticker ENBDREIT. ENBD REIT is a closed-ended investment company that was incorporated by the Fund Manager to invest in a diversified Portfolio of Shari’a-compliant real estate assets in the UAE. ENBD REIT has an unlimited duration and was established in the DIFC by the Fund Manager on 18 July 2016 under the Companies Law with the name “Emirates Real Estate Fund Limited” and with registration number 2209. The Fund subsequently changed its name to “ENBD REIT (CEIC) Limited” and later ENBD REIT (CEIC) PLC in line with the new DIFC Companies Law. ENBD REIT is categorised under DFSA law and regulations as a Public Fund, a Domestic Fund, an Islamic Fund, a Property Fund and a Real Estate Investment Trust (REIT). ENBD REIT has been established with the main investment objective of generating income returns and capital appreciation from real estate assets. ENBD REIT plans to achieve its objectives through the following strategies: (i) prudent acquisitions with a focus on achieving diversification; and (ii) active asset management and enhancement. For more information, visit: www.enbdreit.com

PORTFOLIO

Office:

Al Thuraya 1 (Dubai Media City)

A G+29-story high rise commercial tower, located at a prime location in Dubai Media City with views over Barsha Heights and Palm Jumeriah.

Burj Daman (DIFC)

Two and a half floors (the fund fully owns the 10th and 14th floors and half of the 15th floor) in the commercial portion of the tower in the DIFC.

DHCC 49 (Dubai Healthcare City)

G+5-story commercial complex located in the Dubai Healthcare City free zone.

DHCC 25 (Dubai Healthcare City)

G+6-story commercial tower located in the Dubai Healthcare City free zone

The Edge Building (Dubai Internet City)

A G+6-story fully leased, prime grade A office building recently constructed and located in the Dubai Internet City free zone. Oracle is the largest tenant occupying 85% of the office space.

PRESS RELEASE

Residential:

Arabian Oryx House (Barsha Heights)

A residential tower with 128 units in the free zone Barsha Heights, Dubai. Mainly comprises units of one, two and four-bed apartments.

Binghatti Terraces (Dubai Silicon Oasis)

A residential tower with 201 residential and 5 retail units in Dubai Silicon Oasis, constructed by developers with an established track record.

Remraam Residential (Dubailand)

Two residential towers offering 105 units in mainly 1 & 2-bedroom apartments

Alternative:

Uninest Dubailand (Dubailand)

A 424-bed student accommodation property located close to Dubai Academic City, serving students attending university across the city. 100% leased to global student accommodation provider, GSA.

South View School (Remraam)

A 132,000 sq. ft. British curriculum primary and secondary school operated by Interstar Education.

Souq Extra Retail Centre Phase 1 (Dubai Silicon Oasis)

Community centre in Dubai Silicon Oasis with over 36,000 ft² of gross leasable area, comprising 25 retail units fully let to blue-chip tenants.

HIGHLIGHTS*

Property portfolio value	USD 375 million
NAV	USD 183 million* (USD 0.73 per share)
LTV (on GAV)	52%
Occupancy	92%
WAULT (years)	4
No. of properties	11
Sectors	Office 68%
	Residential 15%
	Alternative 17%

*All figures are as at 30th June 2023