

# Quarterly Update

31<sup>st</sup> March 2021

[www.enbdreit.com](http://www.enbdreit.com)



# Presenting team



**Anthony Taylor**

Head of Real Estate  
ENBD REIT



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Chief Financial Officer  
ENBD REIT

# Snapshot: 31<sup>st</sup> March 2021



Al Thuraya 1



Binghatti Terraces



Uninest



Burj Daman



Arabian Oryx House



South View School



DHCC 49



Remraam



Souq Extra Retail Centre



DHCC 25



The Edge

Portfolio property value  
USD 360m

NAV:  
USD 180m  
NAV per share:  
USD 0.72

Offices: 68%

Residential: 14%

Alternative: 18%

Occupancy  
76%

WAULT: 4.09 years  
Office: 2.61 years  
Residential: 0.77years  
Alternative: 12.12 years

Properties  
11

LTV\*  
52%

\* Loan-to-value on GAV

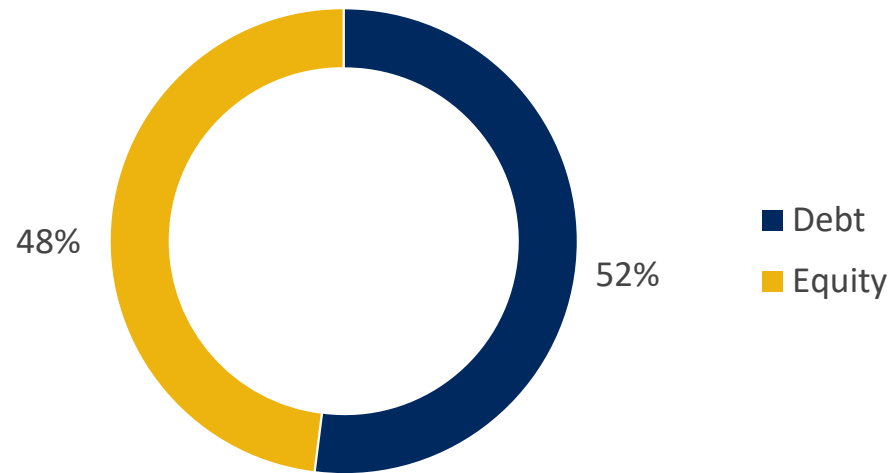
# Payments to shareholders

Payments made to shareholders relating to FY ending 31 <sup>st</sup> March 2021	USD	USD per share	% of NAV	% of share price
Proposed final dividend	4,400,000	0.0176	2.44%	4.10%
Interim dividend (paid 6 <sup>th</sup> Jan 2021)	4,850,000	0.0194	2.44%	6.26%
Payments made to shareholders relating to FY ending 31 <sup>st</sup> March 2020	USD	USD per share	% of NAV	% of share price
Final dividend (28 <sup>th</sup> July 2020)	5,100,000	0.0204	2.22%	5.73%
Interim dividend (paid 17 <sup>th</sup> Dec 2019)	4,900,000	0.0196	1.93%	3.64%
<b>Total paid to shareholders</b>	<b>10,000,000</b>	<b>0.0400</b>	<b>4.35%</b>	<b>11.24%</b>
Payments made to shareholders relating to FY ending 31 <sup>st</sup> March 2019	USD	USD per share	% of NAV	% of share price
Final dividend (paid 14 <sup>th</sup> July 2019)	5,399,754	0.0215	2.00%	3.81%
Interim dividend (paid 25 <sup>th</sup> Feb 2019)	6,868,836	0.0270	2.41%	3.60%
<b>Total paid to shareholders</b>	<b>12,268,590</b>	<b>0.0485</b>	<b>4.54%</b>	<b>8.65%</b>
Payments made to shareholders relating to FY ending 31 <sup>st</sup> March 2018	USD	USD per share	% of NAV USD 1.18	% of share price USD 0.99
Final dividend (paid 13 <sup>th</sup> June 2018)	3,281,777	USD 0.0129	1.09%	1.30%
Return of capital (paid 13 <sup>th</sup> June 2018)	8,725,966	USD 0.0343	2.91%	3.46%
Interim dividend (paid 12 <sup>th</sup> July 2017)	9,718,131	USD 0.0382	3.24%	3.86%
<b>Total paid to shareholders</b>	<b>21,725,874</b>	<b>USD 0.0854</b>	<b>7.24%</b>	<b>8.63%</b>

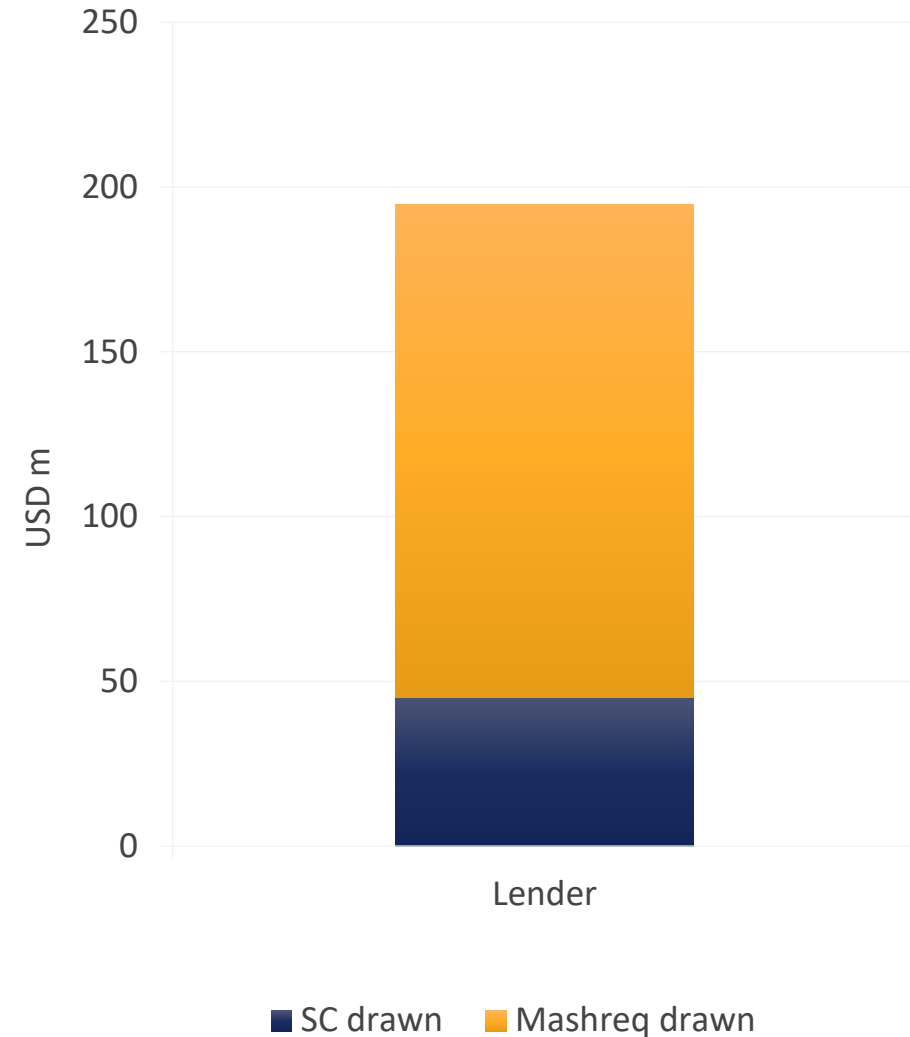
# Capital structure: 31<sup>st</sup> March 2021

Finance terms:

- Standard Chartered: 3mth LIBOR + 2.15%
- Mashreq Bank: 3mth EIBOR + 2.65%



Equity	Debt	LTV
USD 180m	USD 195m	52%



USD 109mn from Mashreq Bank facility is hedged where Variable rate of EIBOR is fixed from 30 June 2021 to 30 June 2023.

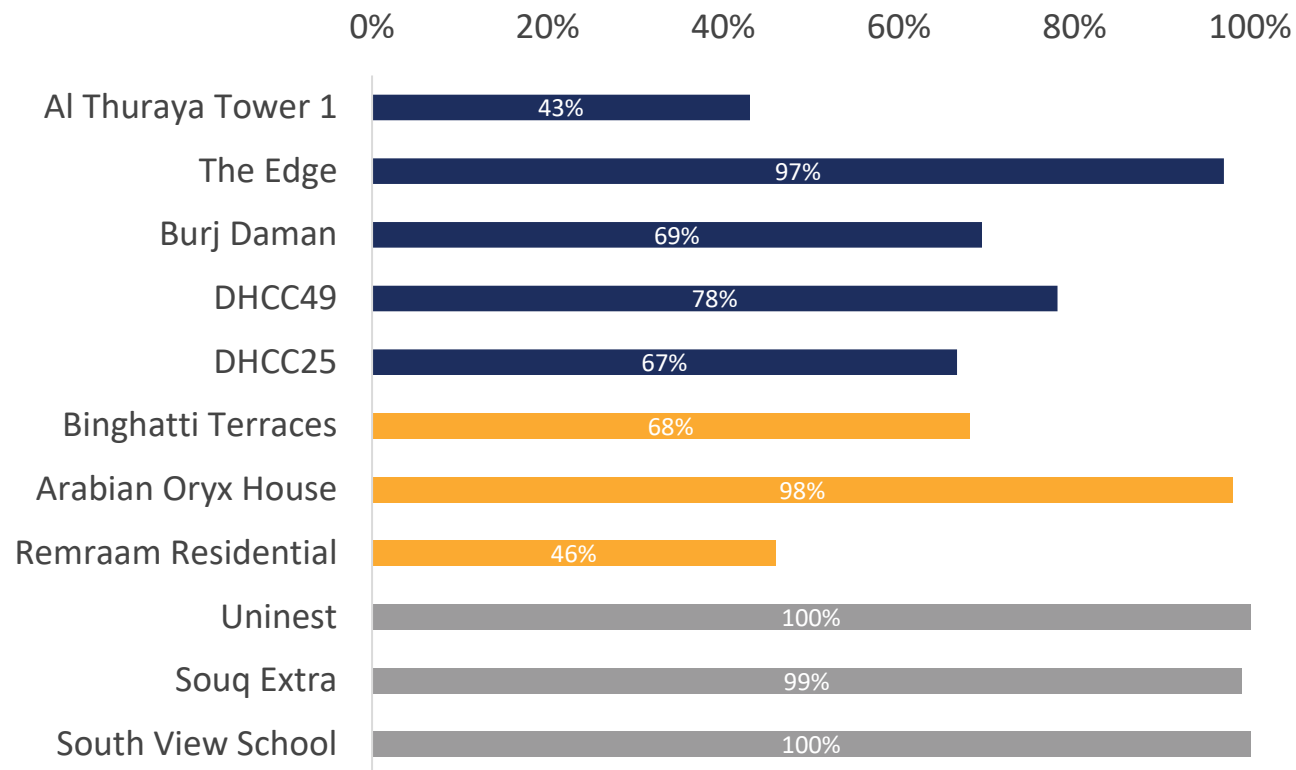




Portfolio

# Portfolio characteristics – portfolio occupancy

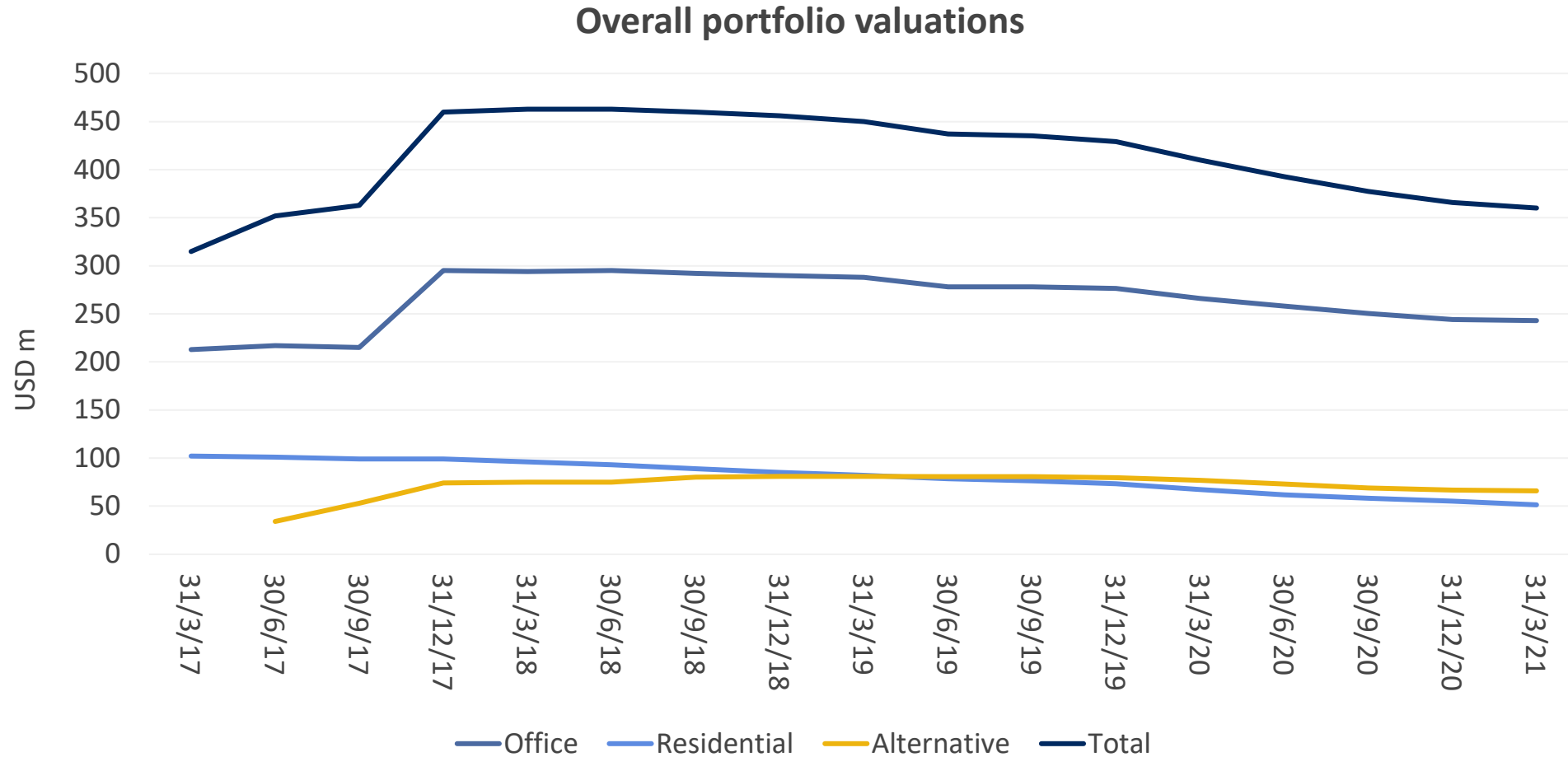
Occupancy of **76%** across the portfolio



Offices 68%	Target 50-60%
Residential 14%	Target 15-20%
Alternative 18%	Target 25-35%



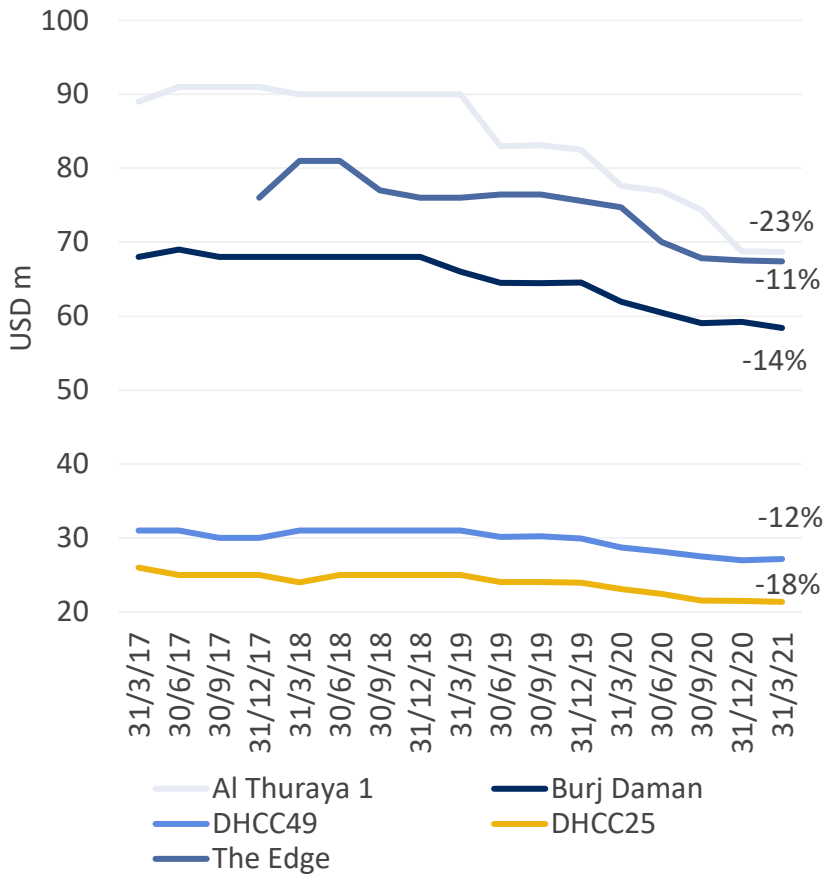
# ENBD REIT's valuations remain under pressure



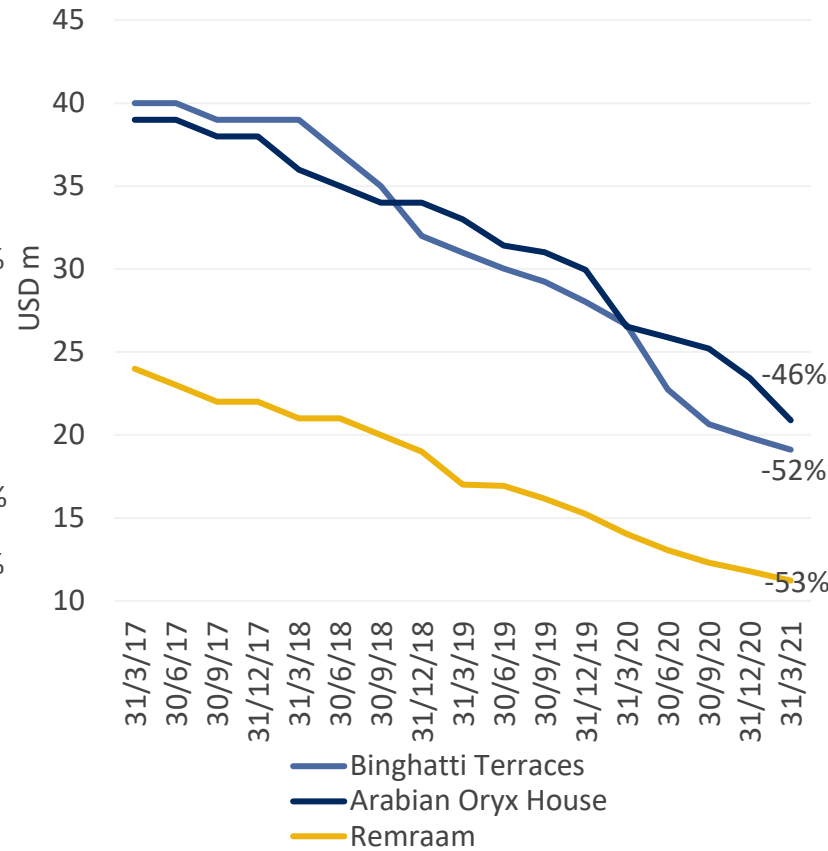
Source: ENBD REIT as at 31<sup>st</sup> March 2021.

# ENBD REIT's office and alternative portfolios impacted

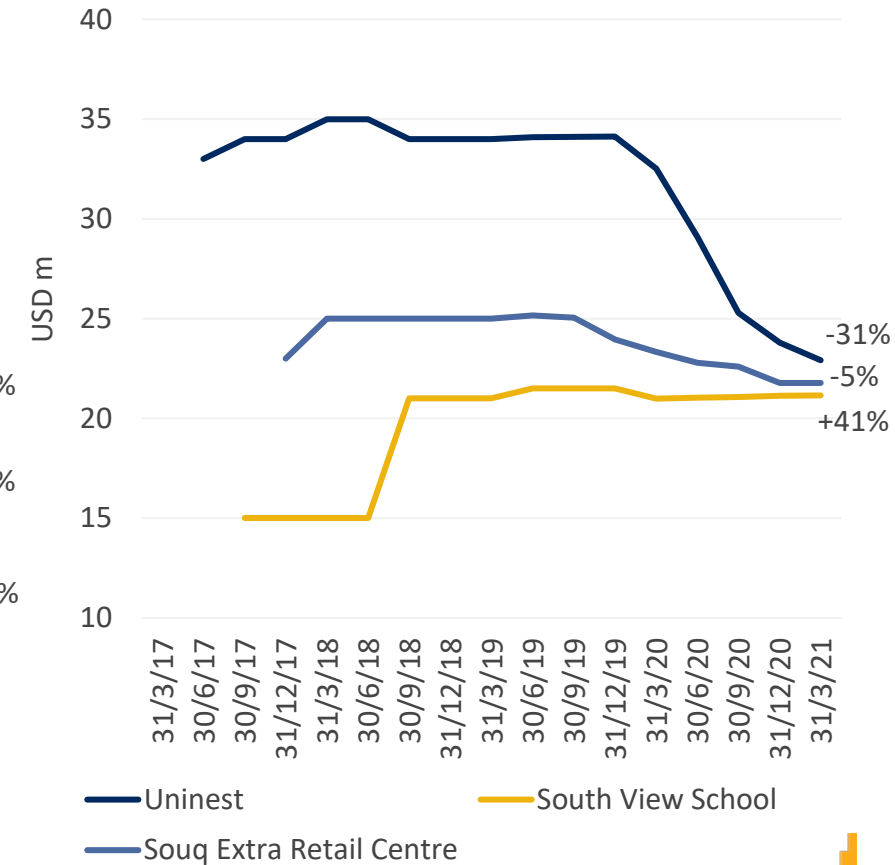
## Office valuations



## Residential valuations



## Alternative valuations



Source: ENBD REIT as at 31<sup>st</sup> March 2021. Note: % numbers are total decline in value since inception for ENBD REIT in March 2017.

# Asset snapshot: Office



	<b>Al Thuraya 1 Media City Acquired: Nov 2006</b>	<b>The Edge Dubai Internet City Acquired: Oct 2017</b>	<b>Burj Daman DIFC Acquired: Jun 2015</b>	<b>DHCC 49 Healthcare City Acquired: Apr 2007</b>	<b>DHCC 25 Healthcare City Acquired: Jul 2007</b>	<b>Overall Office Portfolio</b>	<b>Overall Portfolio</b>
<b>Market value (USD)</b>	69m	67m	58m	27m	21m	<b>243m</b>	<b>360m</b>
<b>% of portfolio value</b>	19%	19%	16%	8%	6%	<b>67%</b>	<b>100%</b>
<b>Net leasable area (Sq. Ft.)</b>	208,565	92,208	87,618	80,808	71,034	<b>540,233</b>	<b>1,293,017</b>
<b>Occupancy rate</b>	43%	97%	69%	78%	67%	<b>70%</b>	<b>76%</b>
<b>WAULT (years)</b>	1.28	4.05	3.04	1.97	2.03	<b>2.61</b>	<b>4.09</b>
<b>Gross rental yield</b>	5.7%	8.8%	7.0%	9.1%	8.1%	<b>7.5%</b>	<b>8.0%*</b>

Source: ENBD REIT as at 31<sup>st</sup> March 2021. \* Annual contractual rental; excludes cash and debt (gross rental revenue / portfolio value).

# Asset snapshot: Residential



	<b>Binghatti Terraces</b> Silicon Oasis Acquired: May 2016	<b>Arabian Oryx House</b> Barsha Heights Acquired: Oct 2014	<b>Remraam</b> Dubailand Acquired: Sep 2015	<b>Overall Residential Portfolio</b>	<b>Overall Portfolio</b>
<b>Market value (USD)</b>	19m	21m	11m	51m	360m
<b>% of portfolio value</b>	5%	6%	3%	14%	100%
<b>Net leasable area (Sq. Ft.)</b>	178,907	133,432	112,154	424,493	1,293,017
<b>Occupancy rate</b>	68%	97%	46%	75%	76%
<b>WAULT (years)</b>	0.99	0.67	0.57	0.77	4.09
<b>Gross rental yield</b>	8.9%	10.0%	6.5%	8.8%	8.0%*

Source: ENBD REIT as at 31<sup>st</sup> March 2021. \* Annual contractual rental; excludes cash and debt (gross rental revenue / portfolio value).

# Asset snapshot: Alternative



	<b>Uniest Dubailand</b> Acquired: May 2017	<b>Souq Extra Retail Centre</b> Acquired: Dec 2017	<b>South View School Remraam</b> Acquired: Aug 2017	<b>Overall Alternative Portfolio</b>	<b>Overall Portfolio</b>
<b>Market value (USD)</b>	23m	22m	21m	66m	360m
<b>% of portfolio value</b>	6%	6%	6%	18%	100%
<b>Net leasable area (Sq. Ft.)</b>	160,264	36,027	132,000	328,291	1,293,017
<b>Occupancy rate</b>	100%	99%	100%	100%	76%
<b>WAULT (years)</b>	3.16	1.88	32.36	12.12	4.09
<b>Gross rental yield</b>	11.6%	10.0%	6.5%	9.4%	8.0%*

## Financials

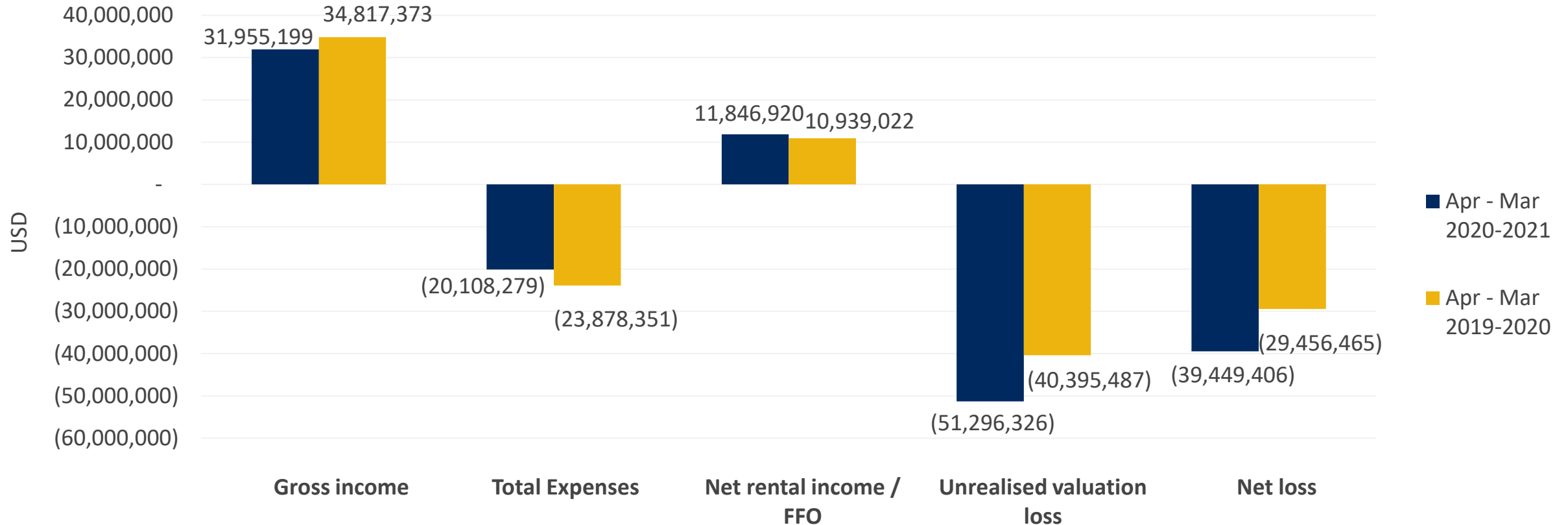




# Financial summary: 31<sup>st</sup> March 2021

- Net rental income / FFO is up 8% from last year, is mainly due to the active management on assets which is coupled with the lower interest rate environment.
- Gross income is down 8% from last year on the back of rental rate pressure in various buildings.
- USD 51m (slightly over 12%) of unrealised valuation losses - significantly impacted due to COVID-19
- Finance cost is down 30% (USD 3.3mn) from last year mainly due to the lower EIBOR / LIBOR rates.
- Operating expenses are down 8% from last year due to the active management of the properties and Fund expenses are up 1% from last year due to increase in provision for doubtful debts. Excluding Provision for doubtful debts our Fund expenses are down 27% from last year.

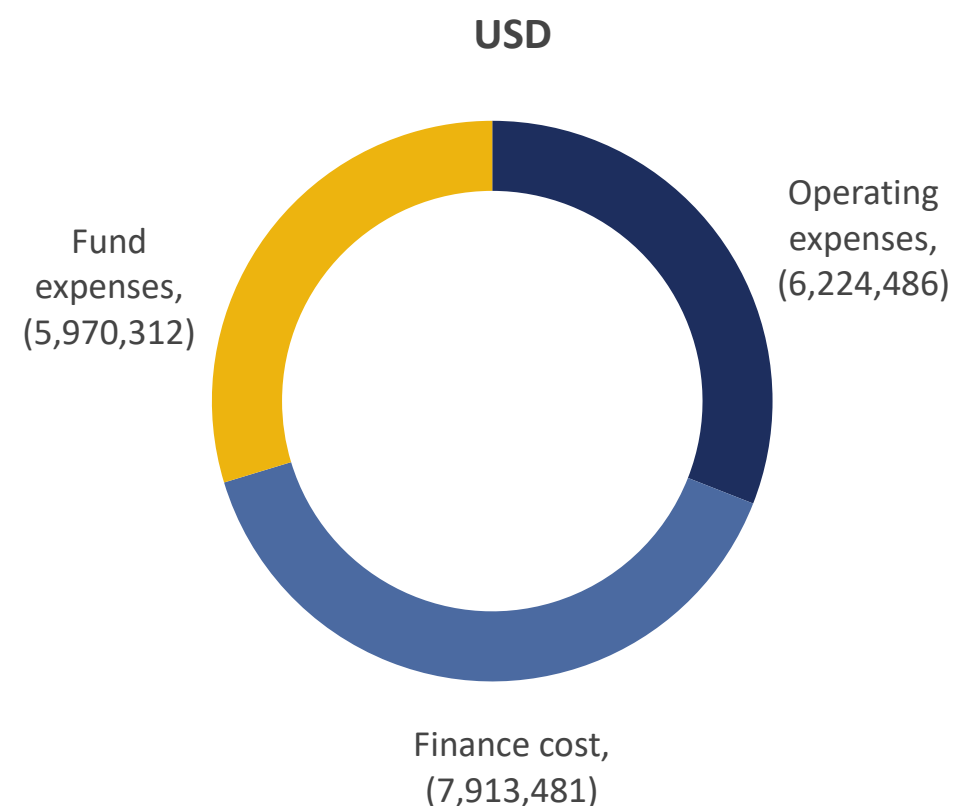
# Financial performance: April – March 2021



# Breakdown of total expenses: 31<sup>st</sup> March 2021

- Increased finance costs due to higher profit rates and additional drawdown
- Refinancing expected to bring finance costs down in the future

USD	Apr-Mar 2020-2021	Apr-Mar 2019-2020	Variance
Gross income	31,955,199	34,817,373	(2,862,172)
Total expenses	(20,108,279)	(23,878,351)	3,770,072
FFO			
Net Rental Income (excl. valuation)	11,846,920	10,939,022	907,898
Unrealised valuation loss	(51,296,326)	(40,395,487)	(10,900,839)
Net loss	(39,449,406)	(29,456,465)	(9,992,941)





Appendix

# Financials

## Financial performance - statement of financial position (USD)

	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Investment Properties	360,236,864	410,155,186
IFRS Adjustment and Right of Use Assets	11,798,617	12,310,613
Cash and Cash Equivalent	24,607,598	13,701,144
Trade and Other Receivables	7,803,441	6,284,816
<b>Total Assets</b>	<b>404,446,520</b>	<b>442,451,759</b>
Islamic Finance Payable	43,903,754	-
Payable for Investments	-	272,257
Trade and Other Payables	13,754,154	16,110,997
<b>Total Current Liabilities</b>	<b>57,657,908</b>	<b>16,383,254</b>
Islamic Finance Payable	149,741,356	179,626,496
Others	2,358,246	2,464,383
Lease Liabilities	14,396,410	14,285,620
<b>Total Non-Current Liabilities</b>	<b>166,496,012</b>	<b>196,376,499</b>
<b>Total Liabilities</b>	<b>224,153,920</b>	<b>212,759,753</b>
<b>Net Asset Value</b>	<b>180,292,600</b>	<b>229,692,006</b>

# Financials

## Financial performance - statement of comprehensive income (USD)

	Full Year 31 <sup>st</sup> March 2021	Full Year 31 <sup>st</sup> March 2020
Rental Income	31,907,728	34,767,166
Profit on Deposits	47,471	50,207
<b>Total Income</b>	<b>31,955,199</b>	<b>34,817,373</b>
Operating Expenses	(6,224,486)	(6,732,993)
<b>Operating Income</b>	<b>25,730,713</b>	<b>28,084,380</b>
Other Expenses	(3,156,694)	(1,943,372)
Management Fee	(2,813,618)	(3,970,378)
Fund Expenses	(5,970,312)	(5,913,750)
Finance Costs	(7,913,481)	(11,231,608)
<b>FFO (Net rental income excluding valuation movement)</b>	<b>11,846,920</b>	<b>10,939,022</b>
FFO Margin	37.07%	31.42%
Net Unrealised Loss	(51,296,326)	(40,395,487)
<b>Net Loss</b>	<b>(39,449,406)</b>	<b>(29,456,465)</b>



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