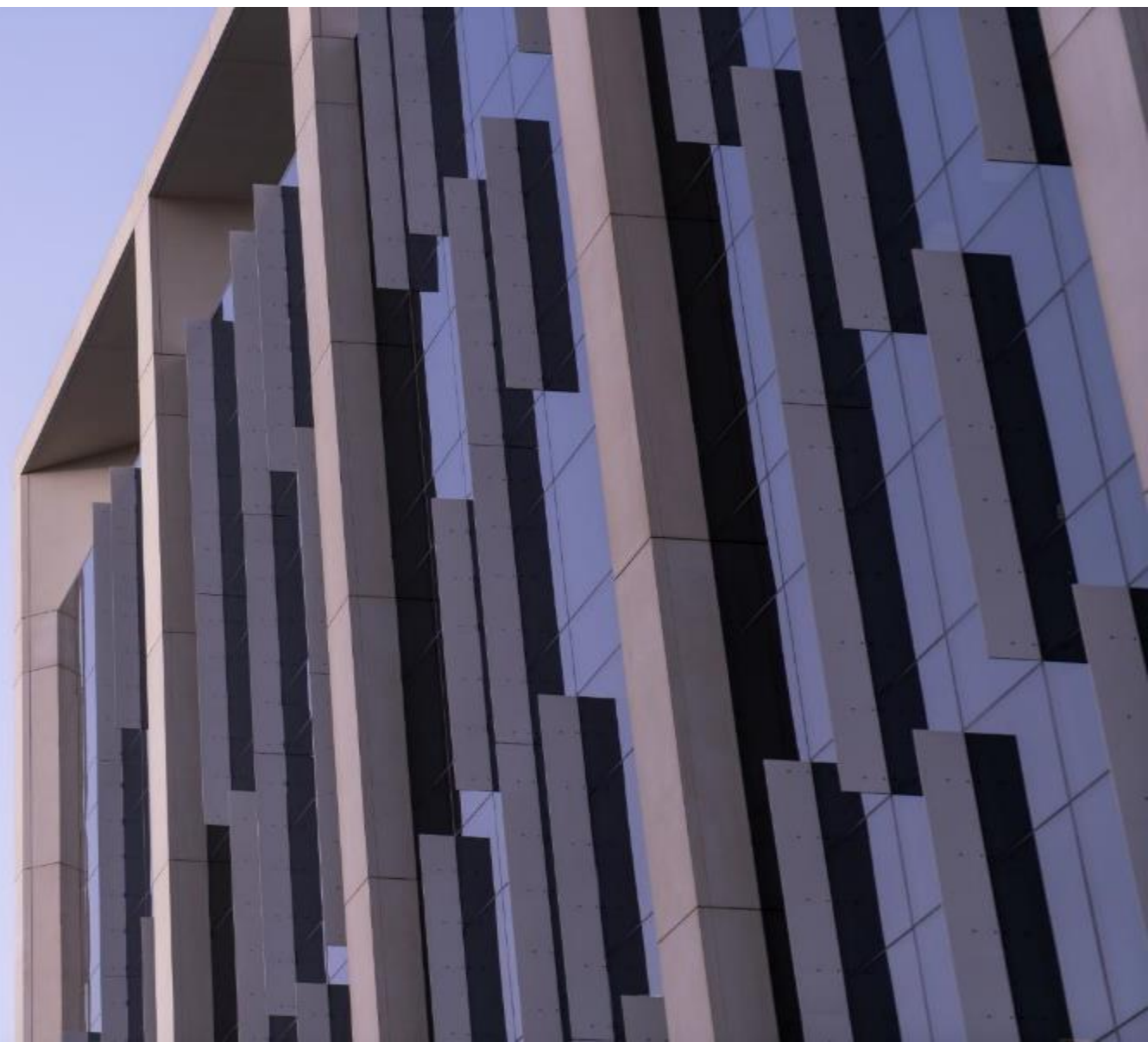




**ENBD REIT**  
Managed by Emirates NBD Asset Management



# Quarterly Update

31<sup>st</sup> December 2020

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



# Presenting team



**Anthony Taylor**

Head of Real Estate  
ENBD REIT



**Asif Siddique**

Chief Financial Officer  
ENBD REIT

# Snapshot: 31<sup>st</sup> December 2020



Al Thuraya 1



Binghatti Terraces



Uninest



Burj Daman



Arabian Oryx House



South View School



DHCC 49



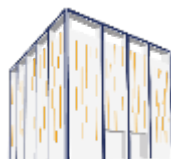
Remraam



Souq Extra Retail Centre



DHCC 25



The Edge

Portfolio property value  
USD 366m

NAV:  
USD 184m  
NAV per share:  
USD 0.74

Offices: 67%

Residential: 15%

Alternative: 18%

Occupancy  
75%

WAULT: 4.01 years  
Office: 2.64 years  
Residential: 0.62 years  
Alternative: 11.84 years

Properties  
11

LTV\*  
51%

\* Loan-to-value on GAV

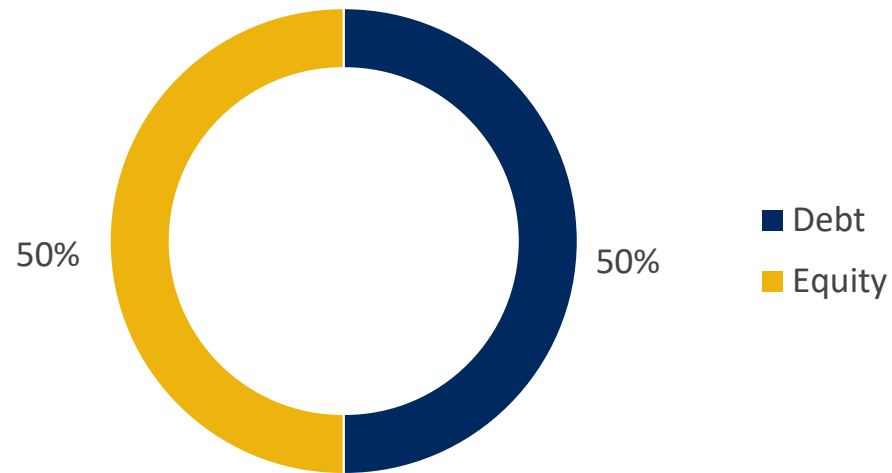
# Payments to shareholders

Payments made to shareholders relating to FY ending 31 <sup>st</sup> March 2021	USD	USD per share	% of NAV	% of share price
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>

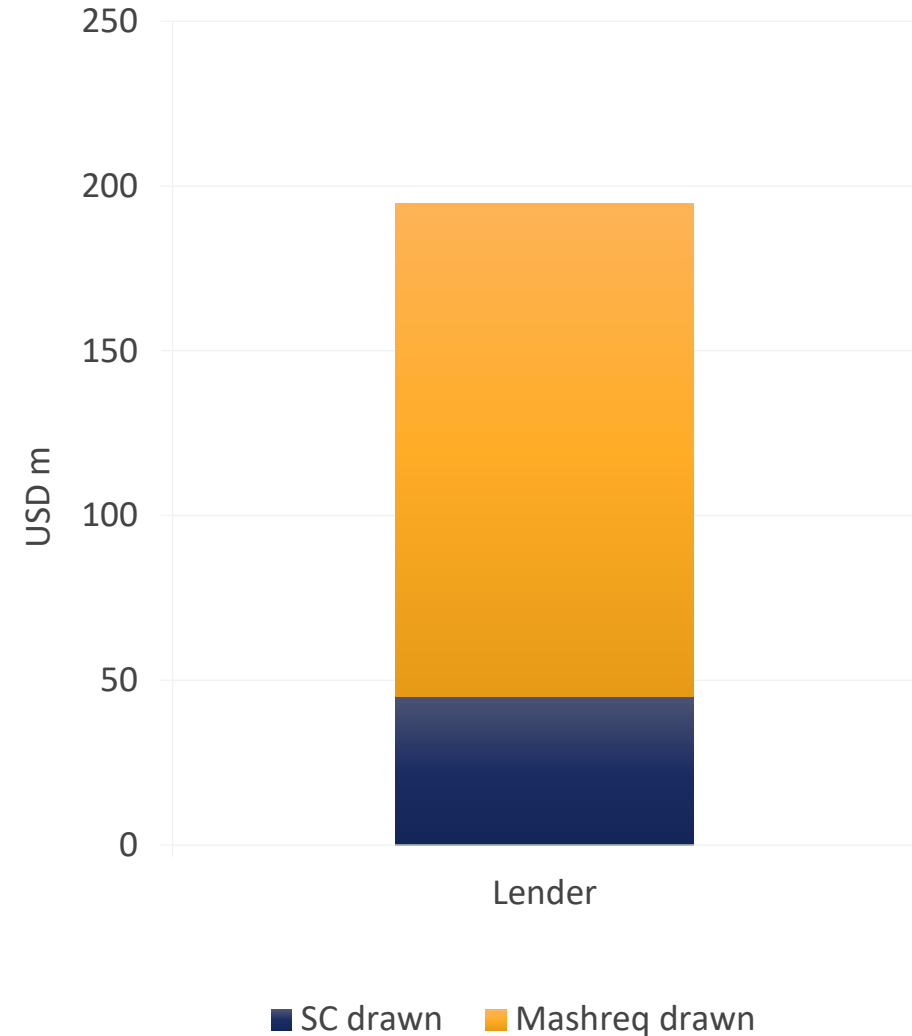
# Capital structure: 31<sup>st</sup> December 2020

Finance terms:

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



Equity	Debt	LTV
USD 184m	USD 195m	51%



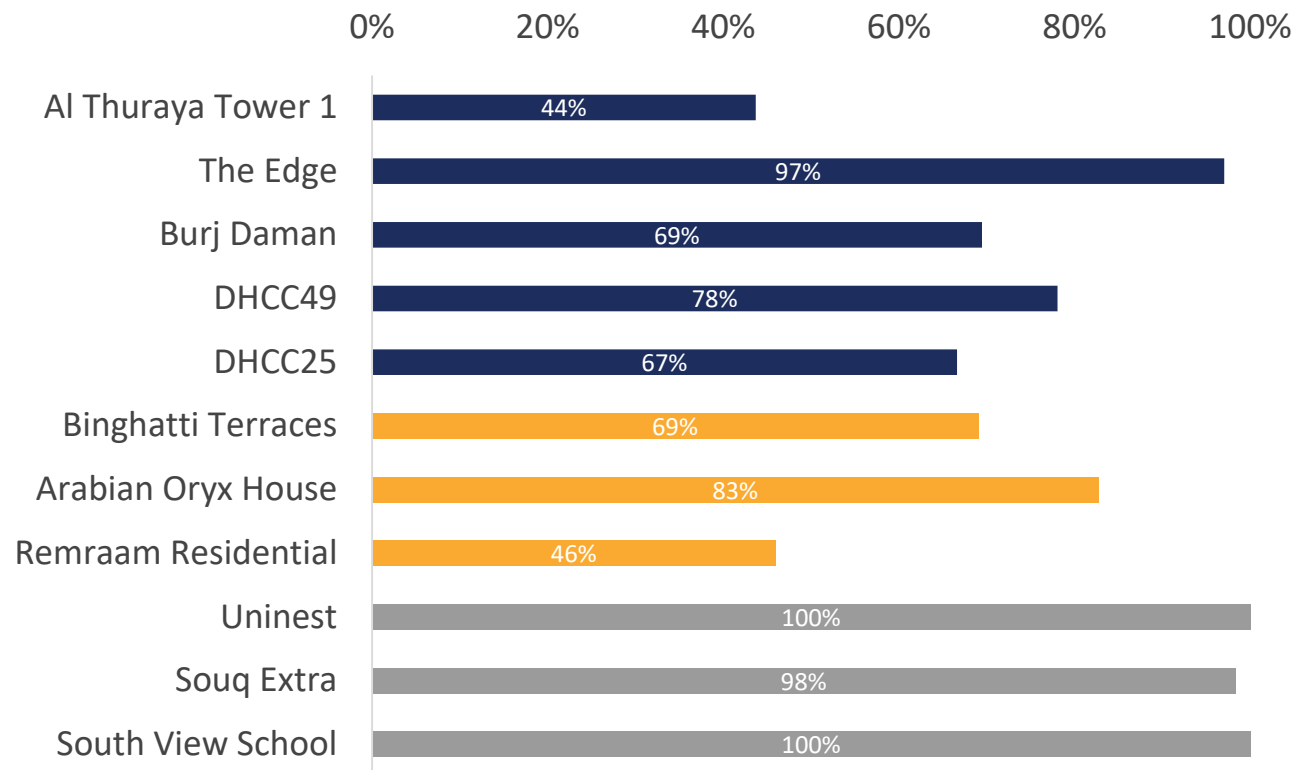
USD 109mn from Mashreq Bank facility is hedged where Variable rate of EIBOR is fixed from 30 June 2021 to 30 June 2023.



Portfolio

# Portfolio characteristics – portfolio occupancy

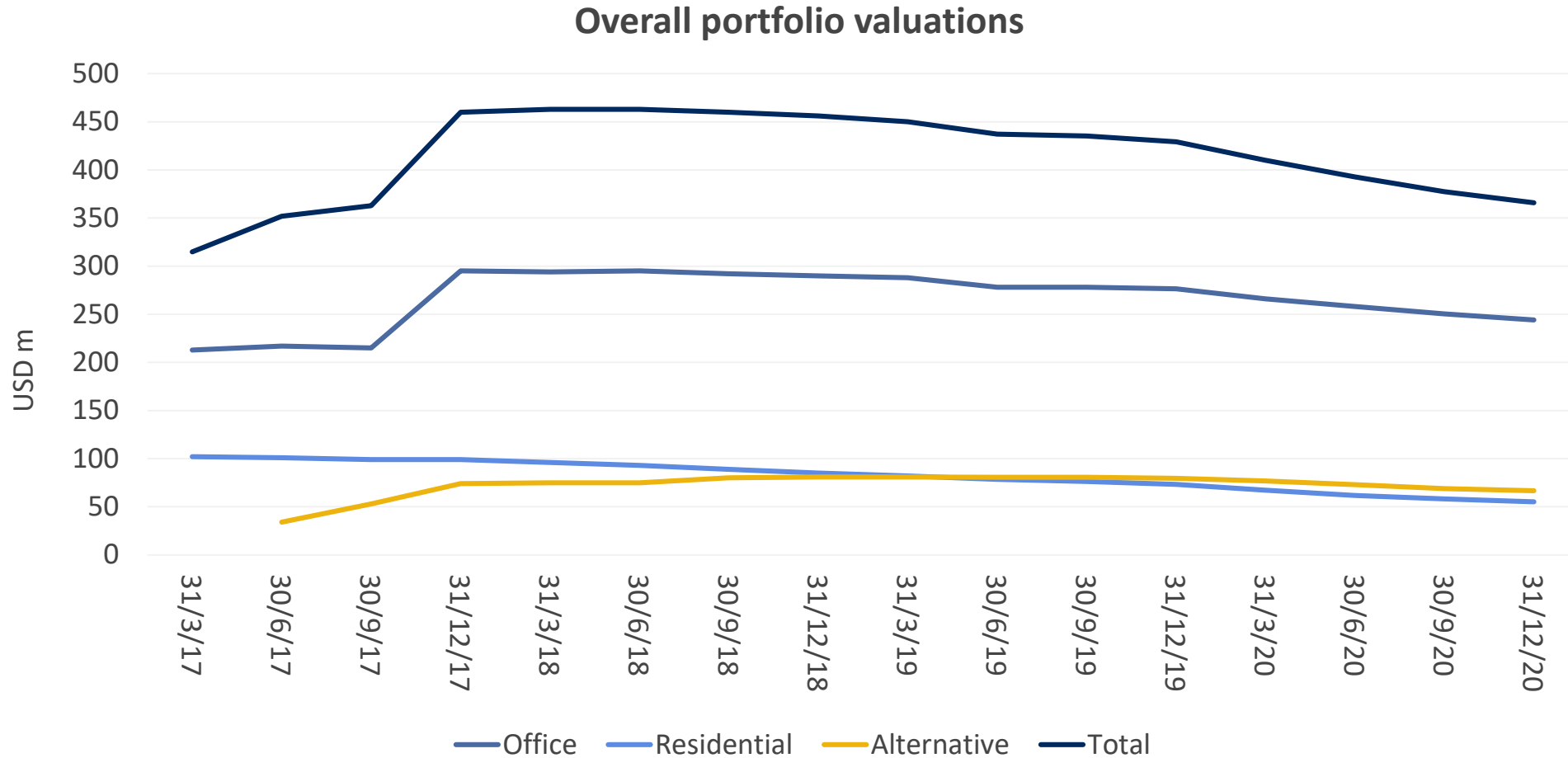
Occupancy of **75%** across the portfolio



<b>Offices</b> 67%	<b>Target</b> 50-60%
<b>Residential</b> 15%	<b>Target</b> 15-20%
<b>Alternative</b> 18%	<b>Target</b> 25-35%



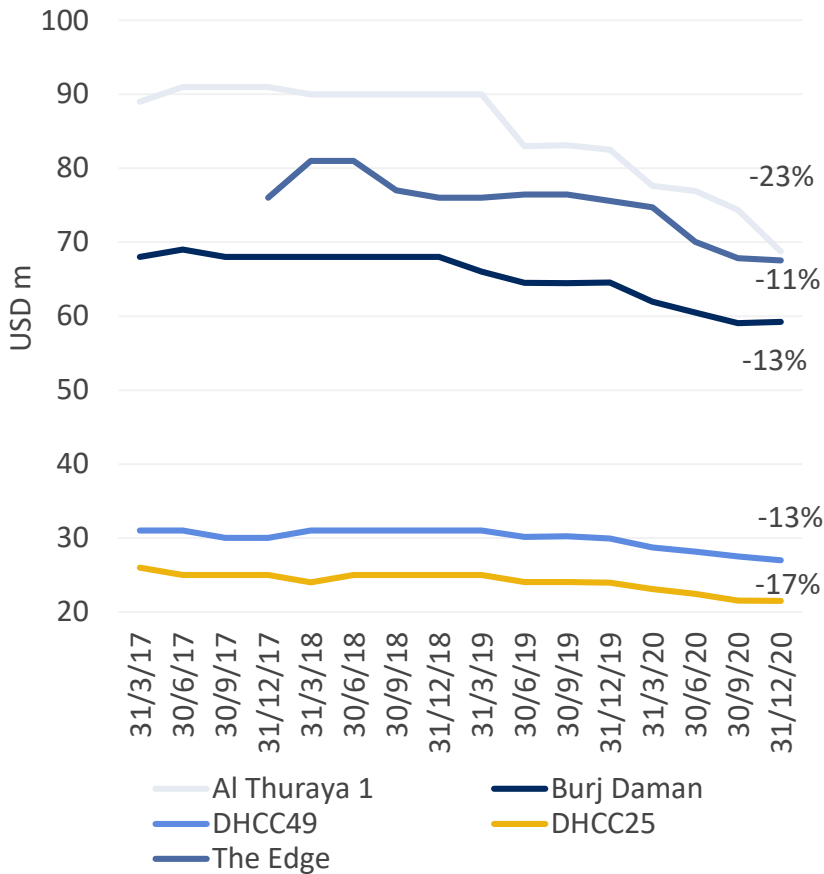
# ENBD REIT's valuations remain under pressure



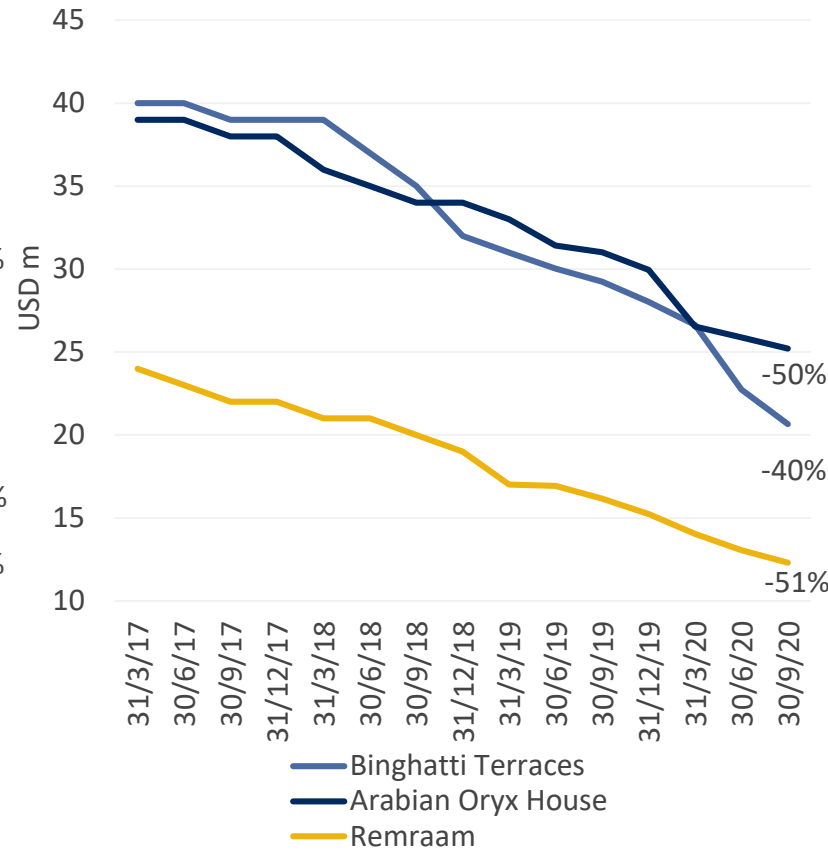
Source: ENBD REIT as at 31<sup>st</sup> December 2020.

# ENBD REIT's office and alternative portfolios impacted

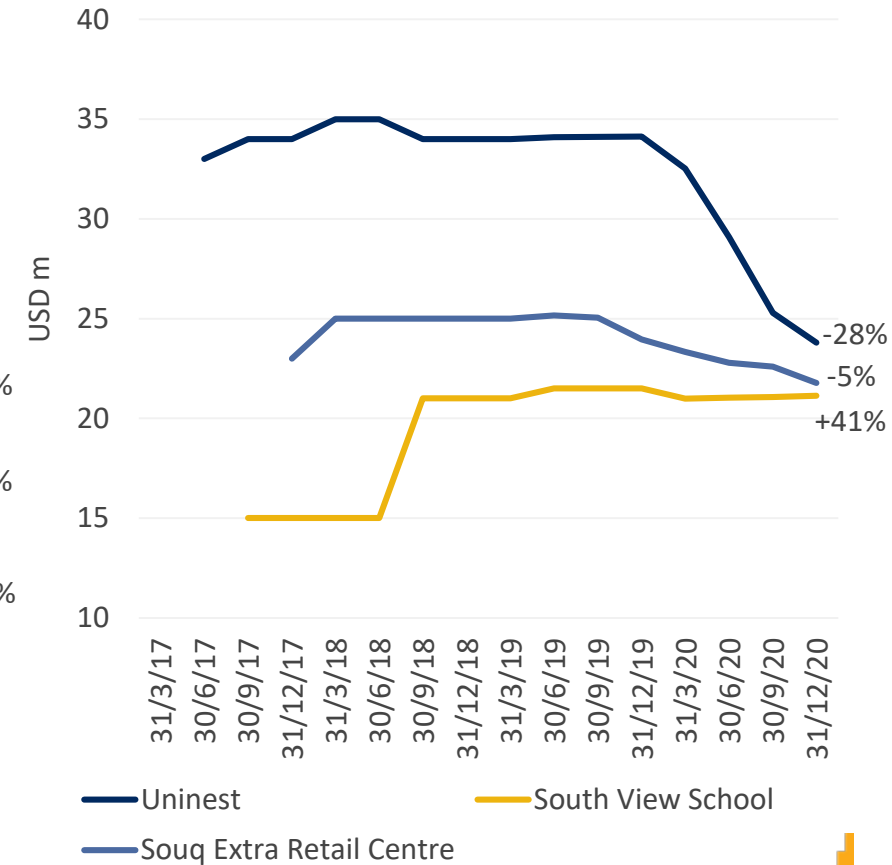
## Office valuations



## Residential valuations



## Alternative valuations



Source: ENBD REIT as at 31<sup>st</sup> December 2020. 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	68m	59m	27m	22m	<b>244m</b>	<b>366m</b>
<b>% of portfolio value</b>	19%	18%	16%	7%	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>	44%	97%	69%	78%	67%	<b>70%</b>	<b>75%</b>
<b>WAULT (years)</b>	1.27	4.29	3.21	1.44	2.16	<b>2.64</b>	<b>4.01</b>
<b>Gross rental yield</b>	5.7%	8.7%	6.9%	9.4%	8.1%	<b>7.4%</b>	<b>7.7%*</b>

Source: ENBD REIT as at 31<sup>st</sup> December 2020. \* 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>	20m	23m	12m	55m	366m
<b>% of portfolio value</b>	5%	6%	3%	15%	100%
<b>Net leasable area (Sq. Ft.)</b>	178,907	133,432	112,154	424,493	1,293,017
<b>Occupancy rate</b>	69%	83%	46%	70%	75%
<b>WAULT (years)</b>	0.81	0.60	0.37	0.62	4.01
<b>Gross rental yield</b>	8.7%	7.6%	5.8%	7.6%	7.7%*

Source: ENBD REIT as at 31<sup>st</sup> December 2020.\* 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>	24m	22m	21m	67m	366m
<b>% of portfolio value</b>	7%	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%	98%	100%	99%	75%
<b>WAULT (years)</b>	3.41	1.91	32.60	11.84	4.01
<b>Gross rental yield</b>	10.5%	9.8%	6.5%	9.1%	7.7%*

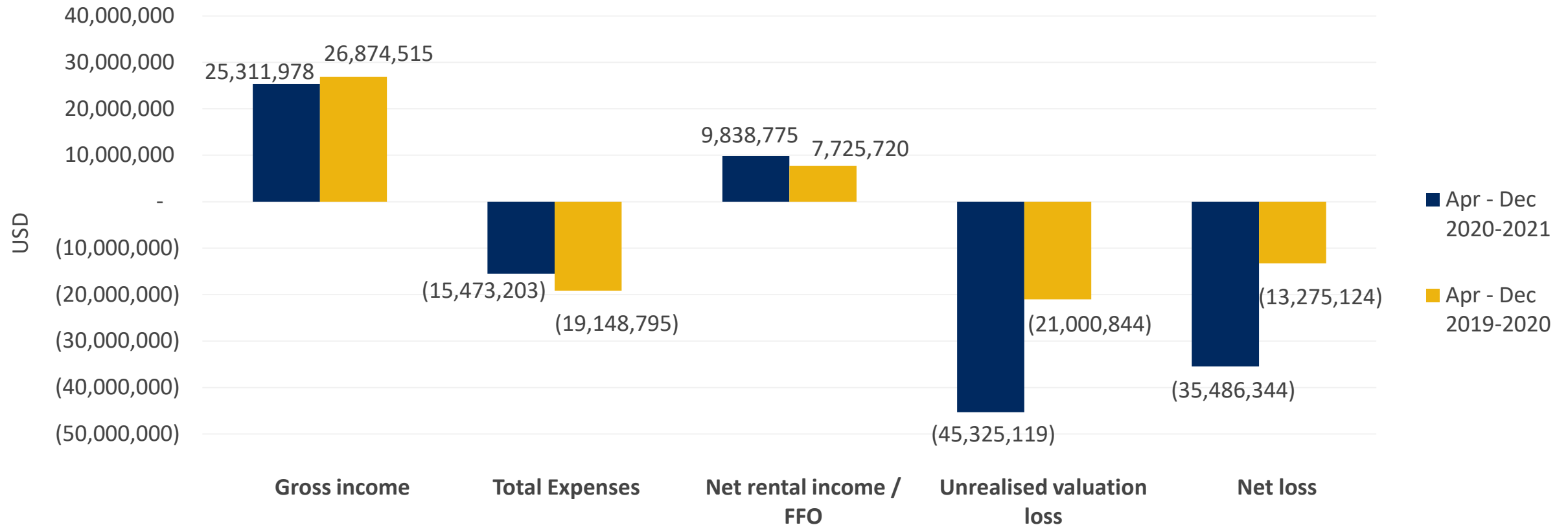


Financials

# Financial summary: 31<sup>st</sup> December 2020

- Net rental income / FFO is up 27% from last year, as previously highlighted its mainly due to the change in calculation on our new Property Management system on certain properties and is coupled with the lower interest rate environment.
- Gross income is down 6% from last year
- USD 45m (slightly over 11%) of unrealised valuation losses - significantly impacted due to COVID-19
- Finance cost is down 27 % (USD 2.2mn) from last year mainly due to the lower EIBOR / LIBOR rates.
- Operating expenses are down 14% and Fund expenses 13% from last year due to the active management of the properties and reduction in Fund Management and Boards and Committees cost.

# Financial performance: April – December 2020

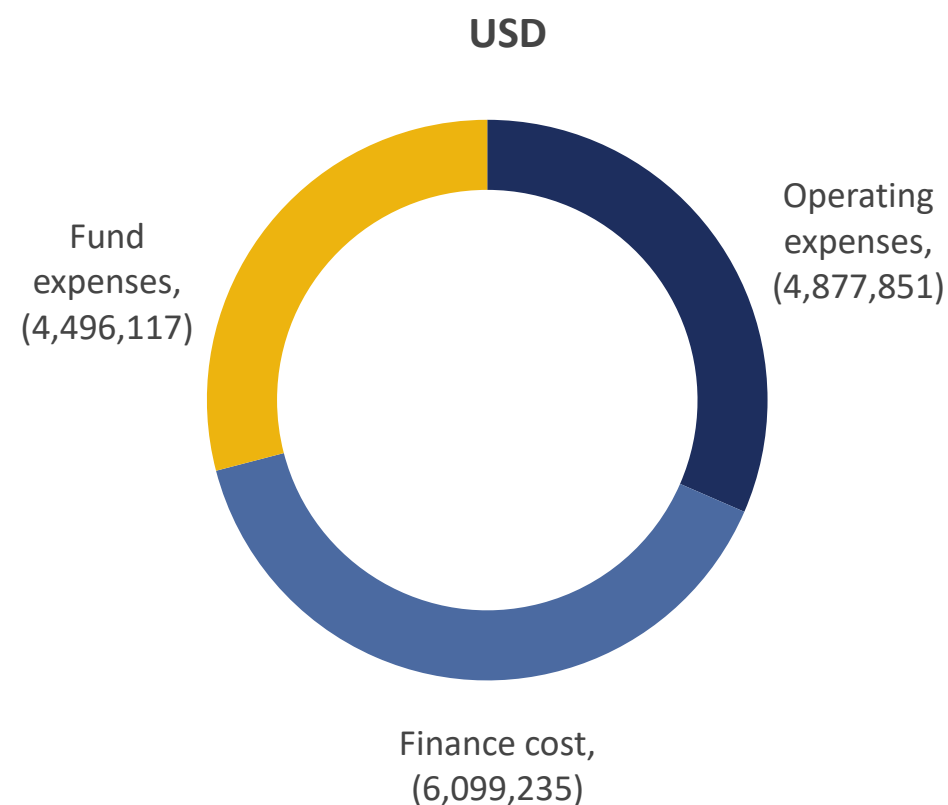




# Breakdown of total expenses: 31<sup>st</sup> December 2020

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

USD	Apr-Dec 2020-2021	Apr-Dec 2019-2020	Variance
Gross income	25,311,978	26,874,515	(1,562,537)
Total expenses	(15,473,203)	(19,148,795)	3,675,592
FFO			
Net Rental Income (excl. valuation)	9,838,775	7,725,720	2,113,055
Unrealised valuation loss	(45,325,119)	(21,000,844)	(24,324,275)
Net loss	(35,486,344)	(13,275,124)	(22,211,220)





Appendix

# Financials

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

	31 <sup>st</sup> December 2020	31 <sup>st</sup> December 2019	31 <sup>st</sup> March 2020
Investment Properties	365,777,294	426,400,720	410,155,186
IFRS Adjustment and Right of Use Assets	11,868,897	15,349,991	12,310,613
Cash and Cash Equivalent	19,513,217	9,903,144	13,701,144
Trade and Other Receivables	7,841,567	4,869,906	6,284,816
<b>Total Assets</b>	<b>405,000,975</b>	<b>456,523,761</b>	<b>442,451,759</b>
Payable for Investments	-	1,361,285	272,257
Trade and Other Payables	9,401,188	11,753,523	16,110,997
<b>Total Current Liabilities</b>	<b>9,401,188</b>	<b>13,114,808</b>	<b>16,383,254</b>
Islamic Finance Payable	193,868,330	179,175,015	179,626,496
Others	2,580,116	3,346,241	2,464,383
Lease Liabilities	14,895,678	15,015,220	14,285,620
<b>Total Non-Current Liabilities</b>	<b>211,344,124</b>	<b>197,536,476</b>	<b>196,376,499</b>
<b>Total Liabilities</b>	<b>220,745,312</b>	<b>210,651,284</b>	<b>212,759,753</b>
<b>Net Asset Value</b>	<b>184,255,663</b>	<b>245,872,477</b>	<b>229,692,006</b>

# Financials

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

	9 Months 31 <sup>st</sup> December 2020	9 Months 31 <sup>st</sup> December 2019	Full Year 31 <sup>st</sup> March 2020
Rental Income	25,281,448	26,823,687	34,767,166
Profit on Deposits	30,530	50,828	50,207
<b>Total Income</b>	<b>25,311,978</b>	<b>26,874,515</b>	<b>34,817,373</b>
Operating Expenses	(4,877,851)	(5,695,692)	(6,732,993)
<b>Operating Income</b>	<b>20,434,127</b>	<b>21,178,823</b>	<b>28,084,380</b>
Other Expenses	(2,392,741)	(2,052,760)	(1,943,372)
Management Fee	(2,103,376)	(3,094,203)	(3,970,378)
Fund Expenses	(4,496,117)	(5,146,963)	(5,913,750)
Finance Costs	(6,099,235)	(8,306,140)	(11,231,608)
<b>FFO (Net rental income excluding valuation movement)</b>	<b>9,838,775</b>	<b>7,725,720</b>	<b>10,939,022</b>
FFO Margin	38.87%	28.75%	31.42%
Net Unrealised Loss	(45,325,119)	(21,000,844)	(40,395,487)
<b>Net Loss</b>	<b>(35,486,344)</b>	<b>(13,275,124)</b>	<b>(29,456,465)</b>

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