

**ENBD REIT (CEIC) PLC AND ITS SUBSIDIARIES**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**

**FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2023**

## **ENBD REIT (CEIC) PLC and its subsidiaries**

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## ENBD REIT (CEIC) PLC and its subsidiaries

### Management and Administration

<b>Directors of ENBD REIT (CEIC) PLC</b>	Ali AlMazroei Mark Creasey Khalid AlFaheem Rashed Al Awadhi (appointed on 1 Oct 2023) Tariq Bin Hendi (resigned on 30 Sep 2023)	<b>Independent Auditor</b>	Deloitte & Touch (M.E.) Building 2, Level 3 Emaar Square, Downtown Dubai P.O. Box 4254 United Arab Emirates
<b>Registered Office</b>	8th Floor East Wing DIFC – The Gate Building PO Box 506578 Dubai United Arab Emirates	<b>Administrator</b>	Apex Fund Services (Dubai) Ltd. Office C1408, Level 14 Burj Daman, DIFC PO Box 506534 Dubai United Arab Emirates
<b>Fund Manager</b>	Emirates NBD Asset Management Limited 8th Floor East Wing DIFC – The Gate Building PO Box 506578 Dubai United Arab Emirates	<b>Custodian</b>	Apex Fund and Corporate Services (Guernsey) Limited 1 Royal Plaza, Royal Avenue St. Peter Port Guernsey GY1 2HL
<b>Shari’a Supervisory Board</b>	Fatwa and Shari’a Supervision Board Amanie Advisors LLC Dr. Mohamed Ali Elgari Dr. Mohd Daud Bakar Dr. Muhammad Amin Ali Al-Qattan Dr. Osama Al Dereai	<b>Company Secretary</b>	Equiom Corporate Services (Middle East) Ltd Office 302, Liberty House, DIFC PO Box 506543, Dubai, UAE

# ENBD REIT (CEIC) PLC and its subsidiaries

## Directors' Report

### Incorporation

ENBD REIT (CEIC) PLC – a DIFC Company with Registration Number 2209 (the “Company” or “ENBD REIT”) was incorporated on 18 July 2016. ENBD REIT and its subsidiaries and Special Purpose Vehicle (SPVs) are collectively referred to as the “Group”.

ENBD REIT was incorporated as a company limited by shares under the Companies Law, DIFC Law No. 2 of 2009 and has been renamed to ENBD REIT (CEIC) PLC from ENBD REIT (CEIC) Limited due to the introduction of the new DIFC Companies Law, DIFC Law No. 5 of 2018.

### Structure

On 23 March 2017, the shares of ENBD REIT were admitted to the Dubai Financial Services Authority (“DFSA”) list of shares to trade on Nasdaq Dubai after the Initial Public Offering (the “IPO”).

### Investment policy and objectives

The purpose of the Group is to provide investors with a professionally managed means of participating in the United Arab Emirates (“UAE”) real estate market. The primary investment objective of the Group is to achieve regular rental income and long-term capital growth from a diversified portfolio of commercial, residential and alternative properties. Investment decisions under the supervision of the Directors of the Group will be made on behalf of the Group by the Fund Manager and will reflect the medium to long-term objective to maximise total return made up of rental income and capital appreciation.

The Group shall have the capacity to seek finance in a manner compliant with Islamic Shari’a law to aid further property acquisitions from time to time with an aim to further increase shareholders’ returns. The Group may invest in properties via offshore special purpose vehicles (“SPVs”). A single SPV may be used to hold each separate property, and any finance sought for the property acquisitions will be either at the Group level or at the SPV level.

All investments of the Group will take place according to Shari’a guidelines, as defined by the Shari’a Supervisory Board of the Group. The Shari’a Supervisory Board will also periodically review that all implemented investment decisions of the Fund Manager remain within Shari’a guidelines.

### Results and distributions

The results for the period are set out in the statement of profit or loss and other comprehensive income on page 6. During the current period, a final dividend of USD 0.0180 per share amounting to USD 4,500,000 (5.02% annualised of NAV) was declared and approved for the year ended 31st March 2023 and paid on 27th July 2023. (USD 0.0200 per share amounting to USD 5,000,000 (5.99% annualised of NAV) was declared and approved for the year ended 31st March 2022 and paid on 29th July 2022).

### Property valuations

The values of the properties that form the bulk of the assets in the Group are determined regularly by CB Richard Ellis, Knight Frank and Cavendish Maxwell, independent experts in real estate valuations. The Directors express comfort in the level of expertise applied to the valuation process which requires significant accounting estimates and judgements (refer note 2(d) of the condensed consolidated interim financial statements). A revised valuation policy was implemented during the Financial year ended 31 March 2022 which includes a rotation mechanism to ensure the properties are not valued by the same valuer for more than 5 years as per regulatory requirements for REITs.

## Directors' Report

### Declaration

The Directors have analysed the Group’s ability to continue as a going concern and have not identified a material uncertainty that may cast significant doubt about the Group’s ability to continue as a going concern. Therefore, they have prepared the condensed consolidated interim financial information of the Group for the period ended 30 September 2023 on a going concern basis.

### Signed on behalf of the Board

Director:  
Ali AlMazroei

Date: 23 November 2023

## REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

**The Shareholders**  
**ENBD REIT (CEIC) PLC**  
**Dubai**  
**United Arab Emirates**

### *Introduction*

We have reviewed the accompanying condensed consolidated interim statement of financial position of **ENBD REIT (CEIC) PLC and its Subsidiaries** (together referred to as the “Group”) as at 30 September 2023 and the related condensed consolidated interim income statement, condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the six months period then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 - *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim financial information based on our review.

### *Scope of review*

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects in accordance with IAS 34.

**Deloitte & Touche (M.E.)**



Malcolm Coates  
23 November 2023  
Dubai  
United Arab Emirates


# ENBD REIT (CEIC) PLC and its subsidiaries

## Condensed consolidated interim statement of financial position As at 30 September 2023

	Notes	30 Sep 2023 USD (Unaudited)	31 Mar 2023 USD (Audited)
<b>Assets</b>			
<b>Non-current assets</b>			
Investment properties	3	387,946,962	379,904,252
<b>Total non-current assets</b>		<b>387,946,962</b>	<b>379,904,252</b>
<b>Current assets</b>			
Trade and other receivables	4	8,100,691	7,998,984
Prepaid expenses	5	170,309	406,939
Cash and cash equivalents	6	21,949,089	24,707,632
<b>Total current assets</b>		<b>30,220,089</b>	<b>33,113,555</b>
<b>Total assets</b>		<b>418,167,051</b>	<b>413,017,807</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	7	13,718,036	15,496,122
Finance cost payable on Islamic financing	8	124,822	93,064
Lease liabilities	10	812,890	812,890
<b>Total current liabilities</b>		<b>14,655,748</b>	<b>16,402,076</b>
<b>Non-current liabilities</b>			
Trade and other payables	7	2,838,114	2,690,428
Islamic finance payable	9	191,779,521	192,241,692
Derivative financial instruments (Currency swap & Profit rate swap)	9	5,639,152	7,886,627
Lease liabilities	10	13,986,510	14,392,958
<b>Total non-current liabilities</b>		<b>214,243,297</b>	<b>217,211,705</b>
<b>Total liabilities</b>		<b>228,899,045</b>	<b>233,613,781</b>
<b>Equity</b>			
Share capital	11 (a)	250,000	250,000
Capital redemption reserve	11 (c)	962,457	962,457
Special reserve	11 (b)	5,782,001	5,933,829
Hedge reserve	11 (d)	472,298	(2,611,034)
Retained earnings		181,801,250	174,868,774
<b>Total equity</b>		<b>189,268,006</b>	<b>179,404,026</b>
<b>Total equity and liabilities</b>		<b>418,167,051</b>	<b>413,017,807</b>

This condensed consolidated interim financial information were approved and authorised for issue by the Directors on 23 November 2023 and signed on behalf of the Board by:

  
Director  
Ali AlMazroei

  
Director  
Mark Creasey

**Date: 23 November 2023**

The accompanying notes on pages 9 to 20 form an integral part of this condensed consolidated interim financial information.  
The independent auditor's report on the review of the condensed consolidated interim financial information is set out on page 4.

## ENBD REIT (CEIC) PLC and its subsidiaries

### Condensed consolidated interim statement of profit or loss and other comprehensive income For the six month period ended 30 September 2023

		30 Sep 2023 USD (Unaudited)	30 Sep 2022 USD (Unaudited)
	Note		
<b>Income</b>			
Rental income		16,550,067	14,962,279
Property operating expenses	12	(3,460,133)	(3,040,392)
<b>Total operating income</b>		<u>13,089,934</u>	<u>11,921,887</u>
Other income		17,435	-
<b>Total income</b>		<u>13,107,369</u>	<u>11,921,887</u>
<b>Expenses</b>			
General and administrative expenses	13	(707,916)	(602,655)
Management fees	14	(1,426,210)	(1,293,333)
Property valuation fees		(71,195)	(63,912)
Reversal of / (allowance for) impairment against trade receivables	4	4,978	(83,267)
<b>Total fund expenses</b>		<u>(2,200,343)</u>	<u>(2,043,167)</u>
<b>Finance income / (cost)</b>			
Profit on Islamic deposits	14	263,520	87,499
Lease liability finance cost	10	(406,442)	(406,936)
Islamic financing costs		(7,182,882)	(4,063,526)
<b>Net finance cost</b>		<u>(7,325,804)</u>	<u>(4,382,963)</u>
Profit before depreciation and gain on fair valuation of investment properties		3,581,222	5,495,757
Unrealised gain on fair valuation of investment properties, net	3	7,699,426	5,451,104
<b>Profit for the period</b>		<u>11,280,648</u>	<u>10,946,861</u>
<b>Other comprehensive income / (loss)</b>			
Fair value adjustments to cash flow hedge		3,083,332	(635,237)
<b>Total comprehensive income for the period</b>		<u>14,363,980</u>	<u>10,311,624</u>
<b>Earnings per share</b>			
Basic earnings per share (USD)	17	<u>0.05</u>	<u>0.04</u>

The accompanying notes on pages 9 to 20 form an integral part of this condensed consolidated interim financial information.

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## ENBD REIT (CEIC) PLC and its subsidiaries

### Condensed consolidated interim statement of changes in equity

For the six month period ended 30 September 2023

	Share Capital	Capital Redemption Reserve	Special Reserve	Hedge Reserve	Retained Earnings	Total
	USD	USD	USD	USD	USD	USD
<b>As at April 2022 (audited)</b>	250,000	962,457	6,063,007	(3,149,050)	162,822,767	166,949,181
<b>Total comprehensive income for the period (unaudited)</b>						
Profit for the period	-	-	-	-	10,946,861	10,946,861
Other comprehensive loss	-	-	-	(635,237)	-	(635,237)
<b>Total comprehensive income for the period (unaudited)</b>	-	-	-	(635,237)	10,946,861	10,311,624
<b>Transactions with shareholders recorded directly in equity</b>						
Dividend distribution (note 16)	-	-	-	-	(5,000,000)	(5,000,000)
Transfer from reserve	-	-	(86,321)	-	86,321	-
<b>At 30 September 2022 (unaudited)</b>	250,000	962,457	5,976,686	(3,784,287)	168,855,949	172,260,805
<b>As at 1 April 2023 (audited)</b>	250,000	962,457	5,933,829	(2,611,034)	174,868,774	179,404,026
<b>Total comprehensive income for the period (unaudited)</b>						
Profit for the period	-	-	-	-	11,280,648	11,280,648
Other comprehensive income	-	-	-	3,083,332	-	3,083,332
<b>Total comprehensive income for the period (unaudited)</b>	-	-	-	3,083,332	11,280,648	14,363,980
<b>Transactions with shareholders recorded directly in equity</b>						
Dividend distribution (note 16)	-	-	-	-	(4,500,000)	(4,500,000)
Transfer from reserve	-	-	(151,828)	-	151,828	-
<b>At 30 September 2023 (unaudited)</b>	250,000	962,457	5,782,001	472,298	181,801,250	189,268,006

The accompanying notes on pages 9 to 20 form an integral part of this condensed consolidated interim financial information.

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## ENBD REIT (CEIC) PLC and its subsidiaries

### Condensed consolidated interim statement of cash flows For the six month period ended 30 September 2023

	Note	30 Sep 2023 USD (Unaudited)	30 Sep 2022 USD (Unaudited)
<b>Cash flows from operating activities</b>			
Profit for the period		11,280,648	10,946,861
<b>Adjustments for:</b>			
Unrealised gain on investment properties, net		(7,699,426)	(5,451,104)
Profit on Islamic deposits		(263,520)	(87,499)
(Reversal of) / allowance for impairment against trade receivables	4	(4,978)	83,267
Islamic financing cost		7,182,882	4,063,526
Finance cost on lease liabilities	10	406,442	406,936
		<u>10,902,048</u>	<u>9,961,987</u>
<b>Changes in:</b>			
Trade and other receivables		(96,729)	(2,434,109)
Prepaid expenses		236,630	37,694
Trade and other payables		(1,630,400)	4,893,277
<b>Net cash flows generated from operating activities</b>		<u>9,411,549</u>	<u>12,458,849</u>
<b>Cash flows from investing activities</b>			
Capital expenditure on investment properties	3	(343,284)	(575,234)
Profit on Islamic deposits	14	263,520	87,499
<b>Net cash flow used in investing activities</b>		<u>(79,764)</u>	<u>(487,735)</u>
<b>Cash flows from financing activities</b>			
Dividend distribution to ordinary shareholders	16	(4,500,000)	(5,000,000)
Islamic financing cost paid		(6,777,438)	(3,725,977)
Payment of lease liabilities	10	(812,890)	(235,538)
<b>Net cash flows used in financing activities</b>		<u>(12,090,328)</u>	<u>(8,961,515)</u>
Net (decrease) / increase in cash and cash equivalents for the period		(2,758,543)	3,009,599
Cash and cash equivalents at the beginning of the period	6	24,707,632	19,030,420
<b>Cash and cash equivalents at the end of the period</b>	6	<u>21,949,089</u>	<u>22,040,019</u>

The accompanying notes on pages 9 to 20 form an integral part of this condensed consolidated interim financial information.

The independent auditor's report on the review of the condensed consolidated interim financial information is set out on page 4.

# ENBD REIT (CEIC) PLC and its subsidiaries

## Notes to the condensed consolidated interim financial information

For the six month period ended 30 September 2023

### 1. General information

ENBD REIT (CEIC) PLC – a DIFC Company with registration number 2209 (“the Company” or “ENBD REIT”) was incorporated on 18 July 2016. On 15 February 2017, the name of the Company was changed from Emirates Real Estate Fund to ENBD REIT (CEIC) Limited, subsequently the Company changed its name from ENBD REIT (CEIC) Limited to ENBD REIT (CEIC) PLC following the introduction of the Companies Law, DIFC Law No. 5 of 2018. ENBD REIT is registered as a Public Fund with the Dubai Financial Services Authority (“DFSA”). The Company is regulated by the DFSA and is governed by, amongst others, the Collective Investment Law No. 2 of 2010 (“CIL”), the Collective Investment Rules module of the DFSA Rules (“CIR”), the Markets Law DIFC Law No. 1 of 2012 (the “Markets Law”), the Markets Rules module of the DFSA Rules (“Markets Rules”) and the applicable Dubai International Financial Centre (“DIFC”) companies law. The Company is categorised under the CIL as a Public Fund and the CIR as a Domestic Fund, an Islamic Fund, a Property Fund and a Real Estate Investment Trust (REIT). ENBD REIT and its subsidiaries and special purpose vehicles (“SPV”) are collectively referred to as “the Group”. The registered address of the Company is 8th Floor, East Wing, Dubai International Financial Centre, The Gate Building, PO Box 506578, Dubai, United Arab Emirates.

ENBD REIT has been established as a Shari’a compliant company limited by shares under the DIFC Companies Law. The principal activity of the Group is to participate in the United Arab Emirates (“UAE”) real estate market to achieve regular rental income and long-term capital growth from a diversified portfolio of property and property related assets. All investments of the Group take place according to Shari’a guidelines, as defined by the Shari’a Supervisory Board of the Group. The Shari’a Supervisory Board also periodically review that all investment decisions made by the Fund Manager are within Shari’a guidelines.

On 23 March 2017, the shares of ENBD REIT were admitted to the Dubai Financial Services Authority (“DFSA”) list of shares to trade on Nasdaq Dubai after an Initial Public Offering (the “IPO”).

### 2. Significant accounting policies

#### a. Basis of presentation

The condensed consolidated interim financial information for the six month period ended 30 September 2023 has been prepared in accordance with IAS 34 ‘Interim financial reporting’. The condensed consolidated interim financial information should be read in conjunction with the last annual consolidated financial statements for the year ended 31 March 2023, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), Islamic Shari’a rules and principles as determined by the Shari’a Supervisory Board of the Group and in accordance with the applicable regulatory requirements of the DFSA. The condensed consolidated interim financial information is prepared under the historical cost convention as modified by the revaluation of investment properties and financial assets and financial liabilities at fair value through profit or loss. It does not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes and reclassification of previously reported numbers are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated financial statements. The preparation of financial statements in conformity with IFRS requires the Directors to make certain accounting estimates, judgements and assumptions. Actual results may differ from those estimates and assumptions. It also requires the Directors to exercise judgement in the process of applying the Group’s accounting policies. Critical accounting estimates, judgements and assumptions are set out in Note 2(c).

#### b. Significant accounting policies

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those followed in the preparation of the Company’s annual consolidated financial statements for the year ended 31 March 2023.

#### **New Standards, Interpretations and Amendments issued**

##### a) New standards and amendments effective from 1 January 2023

The accounting policies used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the previous year. In the current year, the Group has applied the below amendments to IFRS Standards and Interpretations issued that are effective for annual period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

# ENBD REIT (CEIC) PLC and its subsidiaries

## Notes to the condensed consolidated interim financial information (continued)

For the six month period ended 30 September 2023

### 2. Significant accounting policies (continued)

#### *New Standards, Interpretations and Amendments issued (continued)*

##### a) New standards and amendments effective from 1 January 2023 (continued)

<u>Standards / amendments to standards / interpretations</u>	<u>Effective date</u>
IFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment to IAS 1 <i>Presentation of Financial Statements relating to classification of Liabilities as Current or Non-Current</i>	1 January 2023
Amendments to IFRS 4 <i>Insurance Contracts</i> Extension of the Temporary Exemption from Applying IFRS 9	1 January 2023
Amendments to IAS 1 <i>Presentation of Financial Statements</i> and IFRS Practice Statements 2	1 January 2023
Amendments to 12 <i>Income Taxes</i> relating to Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	1 January 2023

The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements. Other than the above, there are no other significant IFRSs and amendments that were effective for the first time for the financial year beginning on after 1 January 2023.

##### b) New standards and amendments in issue but not yet effective

<u>Standards / amendments to standards / interpretations</u>	<u>Effective date</u>
Amendments to IFRS 16 <i>Leases</i>	1 January 2024
Amendments to IAS 1 <i>Presentation of Financial Statements</i>	1 January 2024
Amendment to IFRS 10 <i>Consolidated Financial Statements</i> and IAS 28 <i>Investments in Associates and Joint Ventures (2011)</i> relating to treatment of sale or contribution of assets from investors to its associates or joint ventures	Effective date deferred indefinitely. Adoption is still permitted.

In the opinion of the Board of Directors of the Fund, these standards, amendments to standards and interpretations do not impact the Fund as the Fund has no application to the above-mentioned standards.

##### c. Critical accounting estimates and judgements

The preparation of condensed consolidated interim financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies that affect the reported amounts of assets and liabilities, income and expenses. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities relate to Investment Properties and allowance for impairment losses on financial assets.

In preparing the condensed consolidated interim financial information, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 March 2023.

##### d. Valuation of investment properties

The Group follows the fair value model under IAS 40 whereby investment property owned for the purpose of generating rental income or capital appreciation, or both, are fair valued based on valuation carried out by an independent registered valuer in accordance with RICS Appraisal and Valuation Manual issued by the Royal Institute of Chartered Surveyors.

Investment properties are stated at fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or in its absence, the most advantageous market to which the Group has access at that date. The value of a liability reflects its non-performance risk.

The fair values have been determined by taking into consideration discounted cash flows where the Group has on-going lease arrangements. In this regard, the Group's current lease arrangements, which are entered into on an arm's length basis and which are comparable to those for similar properties in the same location, have been taken into account.

# ENBD REIT (CEIC) PLC and its subsidiaries

## Notes to the condensed consolidated interim financial information (continued)

For the six month period ended 30 September 2023

### 2. Significant accounting policies (continued)

#### d. Valuation of investment properties (continued)

In case where the Group does not have any on-going lease arrangements, fair values have been determined, where relevant, having regard to recent market transactions for similar properties in the same location as the Group's investment properties. These values are adjusted for differences in key attributes such as property size.

The Group's management has reviewed the assumptions and methodologies used by the independent registered valuer and, in their opinion, these assumptions and methodologies appear reasonable as at the reporting date.

#### e. Derivative Financial Instruments

The Group enters into derivative financial instruments to manage its exposure to currency and profit rate risks, including foreign exchange forward contracts, options, cross currency swaps and profit rate swaps. Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months.

#### f. Operating segment

The Group has only one operating segment in the UAE.

### 3. Investment properties

	As at 30 Sep 2023 USD (Unaudited)	As at 31 Mar 2023 USD (Audited)
<b>Balance at start of the period / year</b>	366,046,692	352,844,491
Capital expenditure on investment properties	343,284	498,548
Changes in fair value	12,197,010	16,485,440
Accrued lease income	(4,278,224)	(3,781,787)
	<b>374,308,762</b>	<b>366,046,692</b>
Right-of-use assets	13,638,200	13,857,560
<b>Balance at end of the period / year</b>	<b>387,946,962</b>	<b>379,904,252</b>
<b>Unrealised profit / (loss) on fair valuation of investment properties, net</b>	<b>For the six month period ended 30 Sep 23 USD (Unaudited)</b>	<b>For the six month period ended 30 Sep 22 USD (Unaudited)</b>
Changes in fair value of investment properties	12,197,010	9,222,530
Accrued lease income	(4,278,224)	(3,546,992)
Changes in fair value of right-of-use assets	(219,360)	(224,434)
<b>Movement during the period</b>	<b>7,699,426</b>	<b>5,451,104</b>

# ENBD REIT (CEIC) PLC and its subsidiaries

## Notes to the condensed consolidated interim financial information (continued)

For the six month period ended 30 September 2023

### 3. Investment properties (continued)

Investment properties as at 30 September 2023 were valued by CB Richard Ellis, Cavendish Maxwell and Knight Frank who are qualified external independent property valuation companies and carried out the valuation in accordance with the RICS Valuation Global Standards. Property valuations are carried out in accordance with the Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors ("RICS") and are undertaken by appropriately qualified valuers who are members of RICS and who have recent experience in the locations and categories of the properties being valued. Fair value is estimated based on the Investment Method as described below and benchmarked to comparable transactions wherever applicable.

For certain investment properties, the valuer has used the Market Approach to value the apartments, where fair value was determined by taking into consideration market comparable and benchmarked from sale transactions of similar properties.

Under the investment method, fair value is a product of rent and yield derived using comparison techniques. In undertaking the valuation of properties under this method, an assessment has been made on the basis of a collation and analysis of appropriate comparable investment, rental and sale transactions, together with evidence of demand within the vicinity of the subject property. With the benefit of such transactions, capitalisation rates have been applied to the properties taking into account size, location, terms, covenants and other material factors at the valuation date.

During the year ended 31 March 2022, Group recommended to refine the valuation accounting approach in determining fair value and move from a net to a gross valuation (excluding transaction costs) in line with DFSA, IFRS and RICS guidance. Had the investment properties been valued on a net basis at 30 September 2023 then their value would have been 3.25% (31 March 2023: 3.27%) lower.

Accrued lease income of USD 4.3 million (31 March 2023: USD 3.8 million) as at the reporting date, relating to the accounting for operating lease rentals on a straight-line basis has been eliminated from the valuation of investment properties, in order to avoid double counting of assets and liabilities.

Investment properties with carrying value of USD 378.6 million (31 March 2023: USD 369.8 million) are mortgaged against bank borrowings. Depreciation for the period ended 30 September 2023 on right-of-use assets amounted to USD 219,360 (30 September 2022: USD 224,434).

#### Sensitivity analysis to significant changes in unobservable inputs within Level 3 of the hierarchy

The fair value measurement for the investment properties has been categorised as Level 3 based on the inputs to the valuation technique used except for Remraam which is categorised as Level 2. For all investment properties, the current use of the property is considered to be highest and best use. The significant unobservable inputs used in the fair value measurement of investment properties are:

- Estimated Rental Value ("ERV")
- Long-term vacancy rate (with the exception of fully occupied property void, periods of 6 months – 12 months were applied for units that were vacant as at the reporting date, which is over and above 3% - 10% permanent void periods applied on these properties)
- Equivalent yield (30 September 2023: 7% - 10%) 31 March 2023: 7% - 9%)

Significant increases / (decreases) in the ERV (per sqm p.a.) in isolation would result in a significantly higher / (lower) fair value measurement. Significant increases / (decreases) in the long-term vacancy rate and equivalent yield in isolation would result in a significantly lower / (higher) fair value measurement. Generally, a change in the assumption made for the ERV (per sqm p.a.) is accompanied by:

- a similar change in the equivalent yield, and
- an opposite change in the long-term vacancy rate

## ENBD REIT (CEIC) PLC and its subsidiaries

### Notes to the condensed consolidated interim financial information (continued)

For the six month period ended 30 September 2023

#### 4. Trade and other receivables

	As at 30 Sep 23 USD (Unaudited)	As at 31 Mar 23 USD (Audited)
<i>Rent receivable</i>		
Gross amount receivable	4,967,670	5,436,641
Less: allowance for impairment	(2,338,410)	(2,343,388)
	<b>2,629,260</b>	<b>3,093,253</b>
<i>Other Receivables</i>		
Deposits for utilities	966,366	945,535
Other receivable	57,857	57,857
Profit receivable on Islamic deposits	55,668	43,749
Accrued lease income	4,391,540	3,858,590
	<b>5,471,431</b>	<b>4,905,731</b>
<b>Total trade and other receivables</b>	<b>8,100,691</b>	<b>7,998,984</b>
<b>Movement in allowance for impairment</b>		
Balance at start of the period / year	(2,343,388)	(2,084,429)
Reversal / (charge) for the period / year	4,978	(258,959)
<b>Balance at end of the period / year</b>	<b>(2,338,410)</b>	<b>(2,343,388)</b>

#### 5. Prepaid expenses

	As at 30 Sep 23 USD (Unaudited)	As at 31 Mar 23 USD (Audited)
Advance paid for investments	-	203,376
Prepaid expenses	170,309	203,563
<b>Total prepaid expenses</b>	<b>170,309</b>	<b>406,939</b>

#### 6. Cash and cash equivalents

	As at 30 Sep 23 USD (Unaudited)	As at 31 Mar 23 USD (Audited)
Cash at GSO Portal (in AED account)	11,011	12,279
Cash at bank (in USD accounts) (note 14)	9,414,323	2,782,962
Cash at bank (in AED accounts) (note 14)	4,243,265	12,305,167
Islamic deposits	8,280,490	9,607,224
<b>Total cash and cash equivalents</b>	<b>21,949,089</b>	<b>24,707,632</b>

## ENBD REIT (CEIC) PLC and its subsidiaries

### Notes to the condensed consolidated interim financial information (continued)

For the six month period ended 30 September 2023

#### 7. Trade and other payables

	As at 30 Sep 23 USD (Unaudited)	As at 31 Mar 23 USD (Audited)
<b>Current liabilities:</b>		
Rent received in advance and unearned income	8,925,180	10,613,617
Tenants' security deposits	1,026,865	855,965
Management fees (note 14)	728,319	675,297
Payable for investments	214,309	214,309
Sundry creditors	2,823,363	3,136,934
	<b>13,718,036</b>	<b>15,496,122</b>
<b>Non-current liabilities:</b>		
Tenants' security deposits	<b>2,838,114</b>	<b>2,690,428</b>

#### 8. Finance cost payable on Islamic financing

	As at 30 Sep 23 USD (Unaudited)	As at 31 Mar 2023 USD (Audited)
Profit expenses payable	124,822	93,064
<b>Total finance cost payable on Islamic financing</b>	<b>124,822</b>	<b>93,064</b>

The balance represents profit expense payable on Islamic financing facility from with Emirates NBD Bank and Commercial Bank of Dubai, for details on the Islamic financing facility and profit rate refer note 9 on Islamic financing.

#### 9. Islamic financing

During the year ended 31 March 2022, the Group has refinanced its existing Islamic finance by entering into a Islamic financing facility of USD 200,000,000 with Emirates NBD Bank and Commercial Bank of Dubai on 7th December 2021. The facility consists of tranche A of USD 120M at a profit margin of 2.05% above the quarterly LIBOR and tranche B of GBP equivalent to USD 80M at a profit margin of 1.95% above the quarterly LIBOR. The Group has hedged the exposure on GBP loan by entering into a cross currency profit rate swap with Emirates NBD Bank PJSC. The swap is effective from 9th December 2021 and the termination date is 7th December 2026. The swap has a negative fair value of USD 8,533,054 as on 30 September 2023 (31 March 2023: negative USD 7,830,980).

Derivatives subject to offsetting, master netting and any collateral pledged or received are presented below:

	As at 30 Sep 23 USD (Unaudited)	As at 31 Mar 23 USD (Audited)
<b>Emirates NBD Bank PJSC</b>		
Derivative assets	71,466,946	72,169,020
Derivative liabilities	(80,000,000)	(80,000,000)
Profit rate swap	2,893,902	(55,647)
<b>Net derivative financial assets/(liabilities) presented in the statement of financial position</b>	<b>(5,639,152)</b>	<b>(7,886,627)</b>

## ENBD REIT (CEIC) PLC and its subsidiaries

### Notes to the condensed consolidated interim financial information (continued)

For the six month period ended 30 September 2023

#### 9. Islamic financing (continued)

As at 24<sup>th</sup> March 2023, the Company has entered into two profit rate swap contracts with Emirates NBD bank and Commercial Bank of Dubai for a notional amount of USD 25M each with an effective date of 3<sup>rd</sup> April 2023 for a fixed rate of 3.645% and 3.65% respectively and the termination date for both contracts is 7<sup>th</sup> December 2026.

During the period, the company similarly entered into two profit rate swap contracts with Emirates NBD bank and Commercial Bank of Dubai for a notional amount of USD 25M each with an effective date of 8<sup>th</sup> May 2023 for a fixed rate of 3.59% and the termination date for both contracts is 7<sup>th</sup> December 2026.

The facilities are payable as follows:

	As at 30 Sep 23 USD (Unaudited)	As at 31 Mar 23 USD (Audited)
<i>Contractual cash flows</i>		
- Less than one year	15,143,220	14,741,561
- Between one and five years	226,996,195	234,385,266
	<u>242,139,415</u>	<u>249,126,827</u>
Future finance costs not recognised in the condensed consolidated interim financial information	(48,250,863)	(54,402,418)
	<u>193,888,552</u>	<u>194,724,409</u>
Less: Deferred finance costs (refer note i below)	(2,109,031)	(2,482,717)
<b>Net Islamic finance liability – carrying value</b>	<b><u>191,779,521</u></b>	<b><u>192,241,692</u></b>

Net Islamic financing liability is presented in this condensed consolidated interim financial information as follows:

	As at 30 Sep 23 USD (Unaudited)	As at 31 Mar 23 USD (Audited)
- More than one year	<u>191,779,521</u>	<u>192,241,692</u>

i) This represents the arrangement fees paid for obtaining the Islamic financing facilities.

Movement in the Islamic finance during the period/year is as follows:

	As at 30 Sep 23 USD (Unaudited)	As at 31 Mar 23 USD (Audited)
As at 1 April	194,724,409	199,576,014
Movement due to currency revaluation	(835,857)	(4,851,605)
<b>As at end of the period / year</b>	<b><u>193,888,552</u></b>	<b><u>194,724,409</u></b>



## ENBD REIT (CEIC) PLC and its subsidiaries

### Notes to the condensed consolidated interim financial information (continued)

For the six month period ended 30 September 2023

#### 10. Lease liabilities

The following table shows the movement of lease liability recognised by the REIT.

	As at 30 Sep 23 USD (Unaudited)	As at 31 Mar 23 USD (Audited)
<b>Lease liabilities recognised as at 1 April</b>	15,205,848	15,206,841
Finance cost on lease liability during the period / year	406,442	811,897
Lease liability paid during the period / year	(812,890)	(812,890)
<b>Closing balance of Lease liabilities</b>	<b>14,799,400</b>	<b>15,205,848</b>
<b>Shown as:</b>		
Current lease liabilities	812,890	812,890
Non-current lease liabilities	13,986,510	14,392,958

#### 11. Share capital

##### a) Share capital

The authorised share capital of the Group is USD 500,000 divided into 500,000,000 fully paid Ordinary Shares at a nominal value of USD 0.01 per share. The fully paid ordinary shares of the Company are 250,000,000 (31 March 2023: 250,000,000). Pursuant to reduction in share capital (note 11(b)) and shares buy-back (note 11(c)), the share capital of the Group is USD 250,000 (31 March 2023: USD 250,000).

##### b) Reduction of Capital

During the year ended 31 March 2019, shareholders in General Meeting dated 27th November 2018 approved to reduce the issued share capital of the Company and transfer the same to distributable reserve and special reserve. Subsequently, shareholders in the Annual General Meeting dated 1st July 2020 approved to reduce the issued capital of the Company further and transfer the same to distributable reserve. The purpose of the distributable reserve is to enable ENBD REIT to maintain consistent dividend payments despite movements in capital values. As at 31 March 2022, the Company transferred all its distributable reserve to retained earnings. During the period, the balance in the distributable reserve account stands at USD Nil.

The purpose of the special reserve account is for coverage of liabilities outstanding at the time of movement of share capital to the distributable reserve account. During the period a transfer of USD 0.15 million is made from the special reserve account. As at 30 September 2023, the balance in the special reserve account stands at USD 5,782,001 (31 March 2023: USD 5,933,829).

##### c) Shares buy-back

Following the share capital reduction in 2019, the Company initiated a share buy-back programme for a total number of 4,401,340 shares, commencing from 21<sup>st</sup> February 2019 and completed the programme in September 2019. The surplus reserve of USD 962,457 (31 March 2023: USD 962,457) as a result of the share buy-back programme, was transferred to Capital Redemption Reserve.

## ENBD REIT (CEIC) PLC and its subsidiaries

### Notes to the condensed consolidated interim financial information (continued)

For the six month period ended 30 September 2023

#### 11. Share capital (continued)

##### d) Hedge Reserve

The hedge reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or directly included in the initial cost or other carrying amount of a non-financial asset or non-financial liability. The balance of USD 472,298 (31 March 2023: USD 2,611,034) represents the provision on the currency swap and profit rate swap on the basis of the mark to market adjustment of USD 2,247,475 (31 March 2023: USD 4,313,590) and FX gain on currency revaluation of USD 835,857 on 30 September 2023 (31 March 2023: USD 4,851,605).

#### 12. Property operating expenses

	For the six month period ended 30 Sep 23 USD (Unaudited)	For the six month period ended 30 Sep 22 USD (Unaudited)
Building managers' expenses	2,077,970	1,674,229
Utilities	794,865	861,351
Building maintenance expenses	361,755	290,328
Insurance	51,153	55,425
Legal & professional fees	20,675	58,492
Miscellaneous expenses	153,715	100,567
	<b>3,460,133</b>	<b>3,040,392</b>

#### 13. General and administrative expenses

	For the six month period ended 30 Sep 23 USD (Unaudited)	For the six month period ended 30 Sep 22 USD (Unaudited)
Legal and professional fees	141,458	59,554
Board and committee fees	235,000	230,000
Fund administration custodian and related services	113,086	99,732
Insurance Premiums	27,040	24,232
Retainer Fee	33,075	31,500
Registrar Fees	26,903	27,452
Miscellaneous expenses	131,354	130,185
	<b>707,916</b>	<b>602,655</b>

# ENBD REIT (CEIC) PLC and its subsidiaries

## Notes to the condensed consolidated interim financial information (continued)

For the six month period ended 30 September 2023

### 14. Related parties and significant transactions

Related parties of the Group include significant shareholders, key management personnel, Directors and businesses which are controlled directly or indirectly by the significant shareholders or Directors or over which they exercise significant management influence. Pricing policies and terms of these transactions are approved by the Group's management and are carried out at arm's length transaction.

The following are considered related parties of the Group:

Related party	Relationship (basis for being a related party)
Emirates NBD Bank PJSC	Parent of Fund Manager
Emirates NBD Asset Management Limited	Fund Manager
Board of Directors ("the Board")	Directing and making key decisions for the Group

The basis of the fees payable to the related parties are set out below. The fees incurred during the year are disclosed in the consolidated statement of profit or loss, with amounts outstanding at the reporting date included in trade and other payables.

Related party transactions	For the six month period ended 30 Sep 23 USD (Unaudited)	For the six month period ended 30 Sep 22 USD (Unaudited)
Management fees (i)	1,426,210	1,293,333
Board fees (ii)	150,000	150,000
Profit on Islamic deposit (iii)	263,520	87,499
Fund administration custodian and related services (iv)	113,086	99,732
Finance cost on Islamic financing (v)	3,724,757	1,835,405

i) The Group has appointed Emirates NBD Asset Management Limited as the Fund Manager. The following management fee is payable to the Fund Manager:

Total Net Assets per Fund	Management Fee
On first USD 550 million Net Assets	1.50% of NAV
On next USD 450 million Net Assets	1.25% of NAV
Over USD 1,000 million Net Assets	1.00% of NAV

The Fund Manager is entitled to receive from the Company a Performance Fee of 10% above a 7% hurdle rate on the annualised total return to investors calculated on a change in NAV per Share cum-dividend, with a High-water Mark (High-water Mark is the highest NAV from the date of the incorporation of the Company to the date of calculation of the performance fee) rebased every 12 months upwards only, provided that no Performance Fee shall be payable in respect of an increase in NAV per Share from an amount below the High-water Mark up to an amount which is still below or equal to the High-water Mark. No performance fee has been paid or is payable to the Fund Manager (31 March 2023: Nil).

The Fund Manager is also entitled to receive transaction and development fees from the Company on the acquisition and development of investment properties at an agreed rate.

ii) Each Director of ENBD REIT is entitled to a remuneration of USD 75,000 per annum. Director fees charged to the Group for the period ended 30 September 2023 were USD 150,000 (30 September 2022: USD 150,000) and USD Nil was owed to Directors at 30 September 2023 (31 March 2023: USD Nil).

iii) During the period ended 30 September 2023, an amount of USD 8,280,490 (31 March 2023: USD 9,607,224) is deposited as Wakala deposits with ENBD Bank.

# ENBD REIT (CEIC) PLC and its subsidiaries

## Notes to the condensed consolidated interim financial information (continued)

For the six month period ended 30 September 2023

### 14. Related parties and significant transactions (continued)

- iv) The Company has appointed Apex Fund Services (Guernsey) Ltd as the Custodian. The custodian fees are divided into two categories for each market of investment, namely safekeeping fees and transaction fees. Custodian fees charged to the Group for the period ended 30 September 2023 were USD 6,250 (30 September 2022: USD 6,267) and USD Nil was owed as at 30 September 2023 (31 March 2023: USD Nil) The remaining amount under Fund administration and related services relates to Administration agreement services provided by Apex Fund Services (Dubai) Limited and Corporate Secretary services provided by Equiom Corporate Services (Middle East) Ltd
- v) During the year ended 31 March 2022, the Group signed a Islamic financing facility of USD 200,000,000 with Emirates NBD and Commercial Bank of Dubai with equal proportion. Finance cost is calculated at given profit margins above quarterly LIBOR.

### Balances with related parties

Cash and cash equivalents of the Group are placed with the lending bank of the Company amounting to USD 21,938,078 (31 March 2023: USD 24,695,353).

Islamic financing facility with Emirates NBD as at 30 September 2023 amounts to USD 91,779,521 (31 March 2023: 92,241,692) and the finance cost payable on this facility amounts to USD 62,081 (31 March 2023: USD 52,540).

Derivative contracts with Emirates NBD have negative fair value of USD 7,211,521 as at 30 September 2023 (31 March 2023: 7,886,627)

As at 30 September 2023, the Group has an amount payable to the Fund Manager of USD 728,319 (31 March 2023: USD 675,297).

### 15. Financial risk and Capital management

The Group's activities expose it to various types of risk that are associated with financial instruments and markets in which it invests.

The condensed consolidated interim financial information does not include all financial risk management statements and disclosures required in the annual consolidated financial statements and they should be read in conjunction with the Group's audited annual financial statements as at 31 March 2023.

### 16. Dividend Distribution

During the current period, a final dividend of USD 0.0180 per share amounting to USD 4,500,000 (2.51% of NAV) was declared and approved for the period ended 31 March 2023 and paid on 27 July 2023 (31 March 2022: USD 5,000,000).

### 17. Earnings per share

The calculation of basic earnings per share is based on the profit or loss attributable to Ordinary Shareholders and weighted average number of Ordinary Shares outstanding. The Group does not have any potential ordinary shares and accordingly Basic and Diluted Earnings per share are the same.

	For the six month period ended 30 Sep 23 (Unaudited)	For the six month period ended 30 Sep 22 (Unaudited)
Earnings attributable to the ordinary shareholders of the Group (USD)	11,280,648	10,946,861
Weighted number of ordinary shares in issue (refer note i below)	250,000,000	250,000,000
Basic earnings per share (USD)	<u>0.05</u>	<u>0.04</u>

## ENBD REIT (CEIC) PLC and its subsidiaries

### Notes to the condensed consolidated interim financial information (continued)

For the six month period ended 30 September 2023

#### 18. Contingent Liabilities and Commitments

##### Operating lease commitments as a lessor

The Group leases out its investment properties. Future minimum lease receivable under non-cancellable operating lease are as follows:

	As at 30 Sep 23 USD (Unaudited)	As at 31 Mar 23 USD (Audited)
Less than one year	30,204,267	24,362,503
Between one and five years	60,811,798	45,969,897
More than five years	57,120,462	56,392,056
	<b>148,136,527</b>	<b>126,724,456</b>

#### 19. Fair value of financial instruments

The carrying amounts of the Group's financial assets and financial liabilities approximate their fair values as at the reporting date.

#### 20. Subsequent events

There are no subsequent events to report as of the date of authorisation of this condensed consolidated interim financial information.

#### 21. Approval of the financial information

The condensed consolidated interim financial information was approved by the Board of Directors on 23 November 2023.