



**Eshraq Investments posts Q1 net profit of AED 14.35 million, up 40% year-on-year; gears up for a new era of growth**

- Q1 operating profit reached AED 17.4 million, up 34.83% YoY.
- The Company's first development project, Marina Rise, is nearing full occupancy (98%) and has already begun contributing to the company's recurring revenue.
- Overwhelming shareholder vote in favor of the proposed acquisition of Goldilocks Fund at the recently held AGM, demonstrating confidence in the Board's strategy to position the company for strong growth and improved valuation.
- Board recommends a share buy-back program subject to regulatory and shareholders' approvals

**Abu Dhabi, UAE; 12 May 2022:** Eshraq Investments PJSC ("Eshraq" or "Company"), listed on the Abu Dhabi Securities Exchange ("ADX"), announced its unaudited financial results for the first quarter of 2022. The company reported net profit of AED 14.35 million, posting double-digit growth of 40% year on year. The results are on a standalone basis and do not include the impact of Eshraq's proposed acquisition of Goldilocks fund.

Eshraq recorded operating revenues of AED 7.91 million, an increase of 199% over the previous year. This can be attributed to Eshraq's leasing and hospitality businesses with Eshraq's Burj Daman Apartments and Nuran Marina Serviced Residences achieving occupancy rates of 100% and 96% respectively, and Nuran Marina recording an increase in average room rates (ARR) - all thanks to the company's proactive and strategic leasing efforts.

On the development front, Marina Rise, the Company's first mixed-use development on Reem Island, is nearing full occupancy (at 98%), strengthening Eshraq's recurring revenue and land bank monetization strategy. The company is exploring further development opportunities for its other land plots in Reem Island, Abu Dhabi.

The Company also recorded AED 8.02 million in income from its financial and technology investments, driven by strong outperformance of the company's equities and fixed income portfolio. The Company continues to expand its portfolio of financial and technology investments and diversify its asset base.

Furthermore, the Board recommended implementing a new share buyback program of up to 10% of the issued capital of the Company subject to regulatory approvals and the vote of the shareholders. The share buyback is expected to optimize the capital structure





of the Company and effectively utilize the Company's excess cash to purchase the Company's shares at a discount to its intrinsic value.

At the recently held Annual General Meeting, all resolutions related to the approval and execution of the strategic acquisition of Goldilocks by Eshraq were approved by a near unanimous (99.5%) shareholder vote. The acquisition of a high performing fund such as Goldilocks will enable Eshraq to increase its profitability, contribute to the improvement of its share price and position the company for strong business development, while creating tangible and long-term sustainable value for Eshraq shareholders. In addition, shareholders approved the AED 898.2 million share capital reduction proposed by the Company's Board of Directors to offset accumulated losses. The transaction will be completed upon receipt of the required regulatory approvals.

**Jassim Alseddiqi, Eshraq's Chairman**, said, "Eshraq's strong first quarter performance reflects our solutions-oriented approach to address existing challenges and our clear strategy to capitalise on future growth opportunities to optimise the company's financial strength and operational performance. With our shareholders placing great confidence in our plans, whether it is the proposed acquisition of Goldilocks Fund or the implementation of the share capital reduction to offset accumulated losses, we are increasingly committed to implementing them and delivering long-term value for our shareholders."

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**About Eshraq Investments:**

Eshraq Investments is an investment Company with an extensive portfolio of residential, hospitality and other real estate projects. Eshraq also has a diversified investment portfolio across equities, fixed income, private equity and debt products. For further information, please visit [www.eshraquae.com](http://www.eshraquae.com).

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