



Eshraq Investments reports its highest ever quarterly profit in its history of AED 474 million for Q3 2022; reports book value of AED 0.92 per share; reaffirms commitment to dividend and share buyback

- Net profit for 9 months' period of year 2022 of AED 481 million
- Book value per share stood at AED 0.92 comprising entirely of tangible real estate and financial assets
- Noteworthy progress on land monetization program, resulting in the sale of three land plots for AED 160 million
- Successful implementation of the capital reduction program to offset accumulated losses and subsequent retained earnings
- Reaffirms commitment to share buyback of minimum of 3% of total issued shares in one year and the dividend policy announced in September 2022

Abu Dhabi, UAE; 10 November 2022: Eshraq Investments PJSC ("Eshraq" or "Company"), listed on the Abu Dhabi Securities Exchange ("ADX"), today announced its results for the period ended September 30, 2022. The Company reported its highest ever quarterly net income of AED 475 million, a 27-fold jump year-over-year.

Eshraq's book value stood at AED 0.9238 per share at the end of Q3 2022. The book value comprises entirely of tangible assets such as the Company's real estate assets and financial investments. Eshraq has made rapid progress on monetizing its land bank, successfully selling three land plots totaling approximately 27% of GFA for AED 160 million in the last two months. The sales further improve the liquidity and add to the income generating assets.

Income growth from real estate investments

Eshraq reported total operating income from real estate of AED 29.5 million for the period ended September 30, 2022, driven by Eshraq's leasing and hospitality businesses. Eshraq's Burj Daman Apartments, Nuran Marina Serviced Residences and Marina Rise in Reem Island achieved occupancy rates of 100%, 89% and 93%, respectively, and Nuran Marina saw a 50% year-on-year increase in average room rates (ARR) - all thanks to the company's proactive and strategic leasing efforts.

Share Capital Reduction and Impact Post Goldilocks Acquisition

Following SCA approval, Eshraq implemented a capital reduction to offset all accumulated losses, followed by a capital increase, as a result of which the total issued capital of the Company became AED 2.82bn as at Q3 2022.

The Company also completed the acquisition of Goldilocks fund through the issuance of 1.385bn new share to expand and diversify Eshraq's financial investments outside of real estate and hospitality. Eshraq also subscribed to additional Goldilocks shares through transfer of several of its financial assets, investments and liabilities in exchange for additional Class A shares of





Goldilocks. Following the transaction, Goldilocks has become the core asset of the Company, with the composition of the assets expected to provide greater stability and mitigation of market volatility risks, as well as improved returns.

In line with the Board's commitment to enhance shareholder returns, Eshraq repurchased an additional 14.4 million ordinary shares for a total value of AED 7.47 million by October 31, 2022, after receiving the necessary approvals from SCA for its share buyback program.

Jassim Alseddiqi, Eshraq's Chairman, said, "On behalf of the Board, I would like to commend the efforts of the management team for a record setting third quarter. Key initiatives - whether it be the completion of the acquisition of Goldilocks, the implementation of the share buyback program or the land monetization program - are well underway and reflected in improved profitability and shareholder returns. We are confident that we can maintain and build on this momentum to strengthen Eshraq's financial performance and improve operational efficiency - all with the goal of creating 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.

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