

Eshraq Investments reports annual profit of AED 589.79 million for 2022; recommends 2 fils cash dividend and continued share buyback program

- The Board recommended to pay a cash dividend of 2 fils per share
- The Board recommended to appoint a liquidity provider for the Company's shares listed on ADX
- Total investment income reached AED 546.44 million, compared to the net income of AED 46.09 million last year mainly due to gain resulting from the acquisition of Goldilocks and the increase in the performance of the investments forming part of Goldilocks.

Abu Dhabi, UAE; 17 February 2023: Eshraq Investments PJSC ("Eshraq" or "Company"), listed on the Abu Dhabi Securities Exchange ("ADX"), announced its audited financial results for the full year 2022. The Company reported a net profit of AED 589.79 million in 2022 as compared to a net profit of AED 38.43 million for 2021.

Shareholder Value Creation Initiatives

The Board of Directors ("Board") recommended to pay a cash dividend of 2 fils/share. The dividend recommendation will be presented to the shareholders for approval at the Company's upcoming general assembly meeting.

The Board also approved the appointment of a liquidity provider for the Company's shares listed on ADX and authorized the Board's Executive Committee to execute the appointment.

In line with the Board's commitment to enhance shareholder returns, Eshraq repurchased an additional 37 million shares for a total value of AED 18.56 million as of January 31, 2023. The share buyback has resulted in a gain to shareholders of AED 26.1 million on account of share buyback at discount to

Eshraq's book value. The Board agreed to continue the share buyback program to achieve the target of buying back 84.6 million shares (3% of capital) in its first year of buyback program that started in August 2022.

Financial Performance

The Company reported its highest ever annual net income of AED 589.79 million, a 27-fold jump year-over-year. This was primarily due to the gain of AED 436.58 million to Eshraq shareholders on account of the acquisition of Goldilocks Fund (“**Goldilocks**”) and subsequent increase in performance of Goldilocks' investments on Eshraq's balance sheet, leading to gain of AED 564.97 million as of December 31, 2022.

Eshraq achieved a total operating income of AED 570.68 million for 2022 versus a total operating income of AED 67.34 million for 2021. The increase in operating income resulted from the increase in operational revenue and gains in the investment portfolio.

Land Monetization Program

Eshraq has also made rapid progress on monetizing its land bank and so far signed sales and purchase agreements of 7 plots representing 28% of its existing land bank by book value with total sale consideration of AED 208 million. The sales further improve the liquidity and focus on profit generating financial assets, along with recurring revenues from the Company's leasing and hospitality businesses. The sale of the land plots at a competitive valuation underscores the Company's potential to monetize the land bank via transactions that are accretive to Eshraq's shareholders.

Commenting on the stellar performance, **Mr. Jassim Alseddqi, Eshraq's Chairman**, said, “We are thrilled to announce exceptional growth in profitability and significant strides towards solid revenue growth in fiscal year 2022. Our outstanding performance is a reflection of our sound financial practices, robust strategy, and adaptability in the face of changing market conditions.



Additionally, our land monetization program is already having a positive impact on Eshraq's profitability, and we are excited about the opportunities it holds for the future. Above all, we remain steadfast in our mission to drive growth and enhance value for our shareholders through our long-term strategy.”

Mr. Alseddiqi added, “We are diligently working to enhance shareholder returns, and in this regard, we have taken a number of initiatives in this meeting. We have proposed a cash dividend of 2 fils/share to be approved by shareholders in the AGM, and agreed to continue the share buyback program. We have also approved appointment of a liquidity provider. We are confident that these efforts will help us strengthen our shareholder base and improve the long-term investor appetite.”

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About Eshraq Investments:

Eshraq Investments is an investment Company based in Abu Dhabi, UAE, with assets of more than AED3 billion in real estate, public equities, fixed income, private equity and debt products. For further information, please visit www.eshraquae.com.

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