



Eshraq Investments announces AED 35.99 million profit for Q2 2023

- Total operating income sees a significant increase of 2,446.7%
- Net profit for Q2 2023 soars by 609.3%
- Marks record occupancy rates for Nuran and Marina Rise developments

Abu Dhabi, UAE; 7 August 2023: Eshraq Investments PJSC ("Eshraq" or "Company"), listed on the Abu Dhabi Securities Exchange ("ADX"), Eshraq Investments PJSC ("Eshraq" or "Company"), listed on the Abu Dhabi Securities Exchange ("ADX"), announced its financial results for the first six months of the year.

Eshraq Investments marks a strong turnaround in financial performance in Q2 2023. The Company reported a notable increase in total operating income and net profit. The Total Operating Income showed a remarkable surge, increasing by 2,446.7% to reach Total operating income of AED 44.31 million from Total operating loss of AED 1.89 million in Q2 2022.

Similarly, Eshraq's Net Profit showed substantial turnaround, reversing from Net loss of AED 7.07 million in Q2 2022 to Net profit AED 35.99 million in Q2 2023. This represents a significant increase of 609.3% year-on-year.

These robust figures underscore Eshraq's operational efficiency and its ability to navigate challenging market conditions while delivering solid returns for its shareholders.

Land Monetisation

To date, Eshraq has sold 7 land plots, representing total 27% of its existing land bank by book value for a total sale consideration of AED 208 million. The Company will continue to progress its land sale programme over the next 3 years and generate revenue by monetizing non-revenue generating land assets through the sale or engagement of partners to develop the land bank and its subsequent sale. Eshraq will continue to explore more such opportunities to achieve cash flows from all its assets.

Share Buy-Back



The Company continued to demonstrate its commitment to delivering shareholder value through its ongoing share buyback programme. At the end of the second quarter, Eshraq purchased an additional 108 million ordinary shares with an aggregate value of AED 55.5 million at an average price of 0.5144 per share. The share buyback has resulted in a gain to shareholders of AED 46.37 million on account of share buyback at discount to Eshraq's book value as of end of Q2 2023.

Leasing and hospitality businesses:

The Company's residential apartments in Marina Rise and Nuran Marina hotel apartments continue to register record occupancy rates. Up to June 2023, Eshraq's Marina Rise and Nuran Marina hotel apartments registered 95% and 94% average occupancy rates YTD respectively, reflecting their premium standing in the market. The commercial operations generated AED 8.3mn gross profit in the first quarter.

In Q2 2023, Eshraq finalised the sale of 58 apartment units in Burj Daman for a total consideration of AED 162.01 million in cash, enabling the Company to settle the outstanding mortgage and redeploy the proceeds in other investment opportunities.

Commenting on the results, **Mr. Jassim Alseddiqi, Eshraq's Chairman**, said: "We are pleased to report incredibly strong results in the second quarter of 2023 as we accrue the benefits of steady progress in our diversification strategy, supported by profitable real estate investments. We remain on track with our three-year plan to divest non-income generating assets and deploy the proceeds towards profitable investments that deliver value to shareholders.

"Our results demonstrate that Eshraq has embarked on a new phase of growth. In line with our business updates, we will be soon making announcements about senior appointments that will contribute to strengthening our investor proposition. We will always remain strategic and opportunistic about investments that strengthen our asset portfolio and create increased value for our shareholders."

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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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