



Eshraq Investments eyes cross listing in Saudi Arabia, achieving 11% YOY increase in operational revenues

- Operational revenue up 11% year-on-year, touching AED 26mn
- Net profit of AED 3.0 million for 2018; second consecutive year of profitable operations
- Hospitality and Leasing businesses continue their market leading performance
- Banque Saudi Fransi and Baker McKenzie appointed as advisors on proposed Tadawul listing

Abu Dhabi, UAE; March 25, 2019: Eshraq Investments PJSC (“Eshraq” or “Company”), the Abu Dhabi based investment company listed on Abu Dhabi Securities Exchange (“ADX”), has reported an 11% year-on-year increase in operational revenue, to AED 26.0mn from AED 23.4mn in 2017. In addition, Eshraq saw an increase of 20% year-on-year in its financial investment returns, primarily due to deployment of capital in equity and fixed income investments. The Company has achieved its second year of profits under the new management, although net profit of AED 3.0 million for 2018 reflects the impact of a number of one-off, non-cash asset impairments.

The Company’s audited results were approved at a board meeting held on Sunday, March 24. At the meeting, the board of directors approved plans to cross list some of the Company’s shares on the Saudi Stock Exchange (Tadawul), announcing the appointment of Banque Saudi Fransi and Baker McKenzie as advisors on the deal.

In 2018, Eshraq sought to diversify its revenue sources to offset the impact of decline in real estate earnings. Eshraq’s hospitality and leasing business maintained its market leading rental yield, with occupancy rates of more than 91% in Q4 2018, outperforming its peers. Eshraq’s investment portfolio also generated strong income from investments and deposits.

On the development front, Eshraq’s Marina Rise project construction is now over 20% complete and is targeted to be ready by Q2 2020. Once completed, Marina Rise will be Eshraq’s first development project to contribute to its bottom line from next year.

Eshraq’s Chairman Mr. Jassim Alseddiqi commented on the results: “In the last few years, our focus has been to resolve all legacy issues and to return Eshraq to sustainable profits, ensuring efficient utilisation of the excess cash balances. In addition, we have been seeking ways to transform the Company’s business model to build its resilience amid the slowdown in real estate



activity. Today, we have successfully transitioned the Company's focus from real estate development to investing across different businesses. We are paving the way for further growth and diversification by tapping into strategic investment opportunities outside real estate and into various sectors where we see huge potential. Our goal is to identify and invest in lucrative opportunities to maximize shareholders' value, while taking Eshraq from strength to strength."

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About Eshraq Investments:

Eshraq Investments is a leading real estate development and investments company with an extensive portfolio of superior residential, commercial, touristic and other real estate projects. For further information, please visit www.eshraquae.com

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