

اشراق

ESHRAQ

FY 2023 Business Review

No statement in this document is intended to be nor may be construed as a profit forecast. Any statements made in this document which could be classed a “forward-looking” are based upon various assumptions, including management’s examination of historical operating trends, data contained in the Company’s records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant risks, uncertainties and contingencies. Forward-looking statements are not a guarantees of future performance. Risks, uncertainties, contingencies could cause the actual results of operations, financial condition and liquidity of the Company to differ materially from those results expressed or implied in the document by such forward-looking statements. No representation or warranty is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved. No reliance should be placed on any forward-looking statement.

2023: FINANCIAL AND OPERATIONAL HIGHLIGHTS

A year of strategic progress



Operational



Appointment of new Chief Executive Officer, Chairman and members of the Board of Directors



Healthy occupancy across Real Estate, coupled with continued monetisation of land bank



Progress on asset revaluation and portfolio optimisation



Financial



Total Goldilocks Fund net investment value of AED 1.34 billion at year end 2023



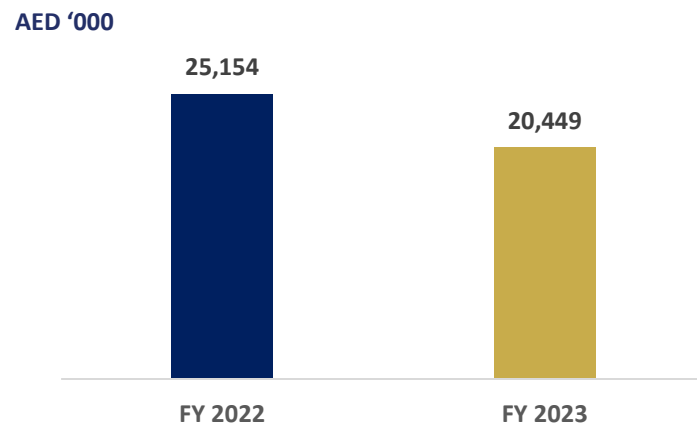
AED 10.5 million gain from asset disposals in 2023



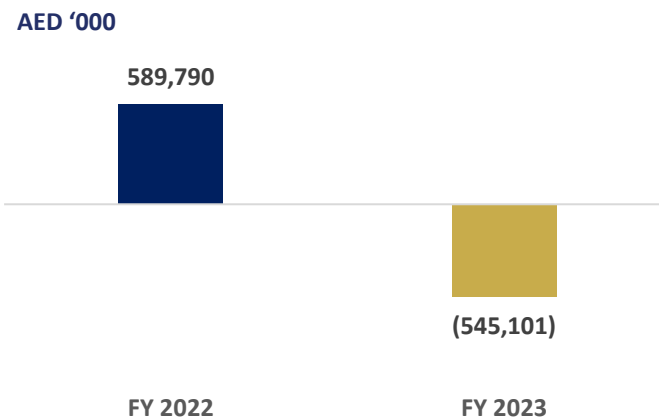
Strong balance sheet position, total liabilities reduced by 48% YoY

FY 2023: CONTINUED STRATEGIC PROGRESS

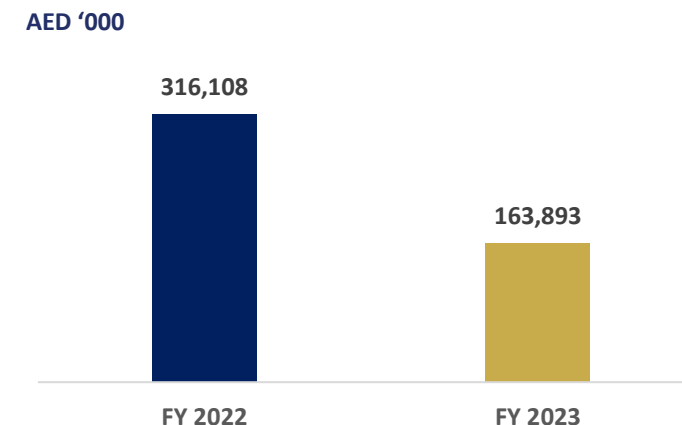
FY 2023 gross profit from commercial operations of AED 20.5 million



FY 2023 loss for the period of AED 545 million



Total liabilities reduced by 48% YoY



2023 financial highlights

- **Total liabilities reduced by 48% YoY**, driven by a continued reduction in bank borrowings
- **AED 10.5 million gain from asset disposals** over the past 12 months
- **Commercial Real Estate operations generated AED 31.6 million of revenue** in FY 2023
- **Net income loss of AED 545.1 million** due to significant revaluation of assets

2023 strategic highlights and progress

- **Healthy occupancy across Real Estate assets**
- **Sale of Nuran Marina in September 2023 for AED 133 million** in cash, a highly profitable transaction, concluded at a 45% premium to book value
- **Appointment of new Chief Executive Officer** in August 2023 to spearhead future growth efforts
- **Re-composition of Board with appointment of new Chairman** and Directors to guide future strategic direction

2023: REAL ESTATE ASSETS PERFORMANCE

Real Estate portfolio optimization

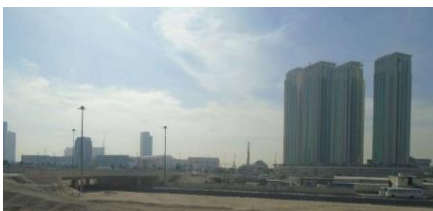
Sold: Jumeirah Village Circle



Sold: Nuran Marina



Sold: Reem Island



Real Estate assets 2023 financial performance (amount in AED '000)

Nuran Marina	2022	2023 ¹	Burj Daman	2022	2023 ¹
Revenue	19,360	15,013	Revenue	8,343	2,520
Profit/(loss)	9,881	6,962	Profit/(loss)	6,020	1,688
Marina Rise	2022	2023	Beans & Pages	2022	2023
Revenue	13,710	13,766	Revenue	32	63
Profit/(loss)	9,050	9,587	Profit/(loss)	(140)	(314)

2023 Real Estate financial and strategic highlights

Good progress on land monetization, having sold 7 land plots in 2023 for a total sale consideration of AED 208 million



Commercial Real Estate operations generated AED 31.6 million of revenue in FY 2023



Gross profit from commercial operations reached AED 20.5 million



Healthy occupancy across Real Estate assets, Marina Rise reaching average occupancy of 94% in FY 2023



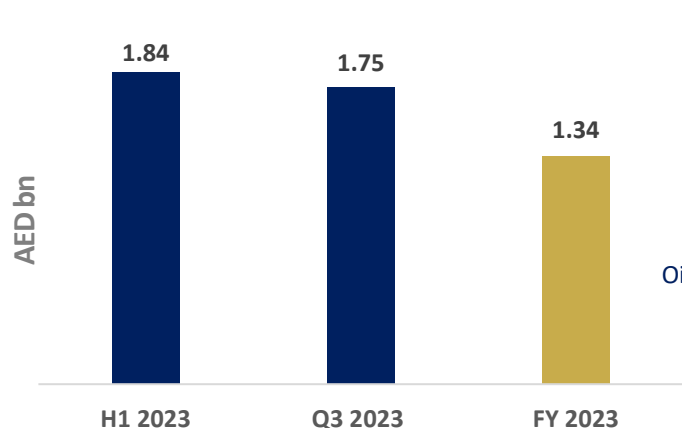
Announced sale of Nuran Marina Hotel for AED 133 million in cash, a 45% premium to book value



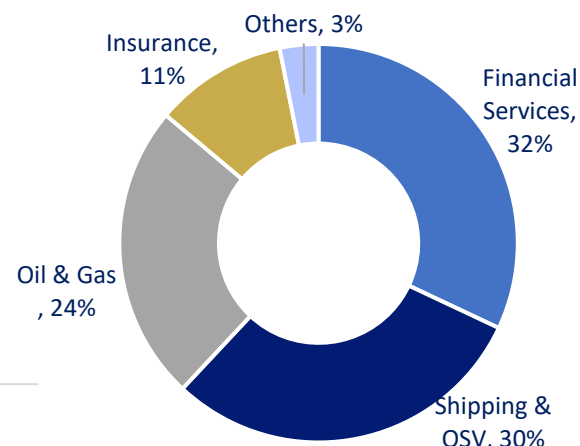
1. Sale of Burj Daman completed in April 2023. Sale of Nuran Marina completed in October 2023.

2023: GOLDILOCKS FUND PERFORMANCE

Fund's performance in 2023 materially impacted by market dynamics and volatility



Gx Sector Exposure



2023 Goldilocks investment breakdown - top five holdings

Investment	% of portfolio Q4 2023*	% of portfolio Q3 2023**	QoQ Change
Dana Gas	29.9%	27.5%	+2.4%
Thalassa Investments	24.1%	25.5%	-1.4%
NCM Investment Company	21.9%	18.6%	+3.3%
Eshraq Investments	9.6%	8.8%	+0.8%
Islamic Arabic Insurance Co (Salama)	9.5%	8.8%	+0.7%

* Holdings as at 31 December 2023. ** Holdings as at 30 September 2023

Goldilocks 2023 financial and strategic highlights

Goldilocks Fund underlying net investment value of AED 1.34 billion in 2023



Net performance of 19%¹ over the last three years, outperforming regional and international benchmarks



19 investments in the portfolio as at 31 December 2023



FY 2023 interest income of AED 3.6 million



Performance impacted by market dynamics and volatility in 2023

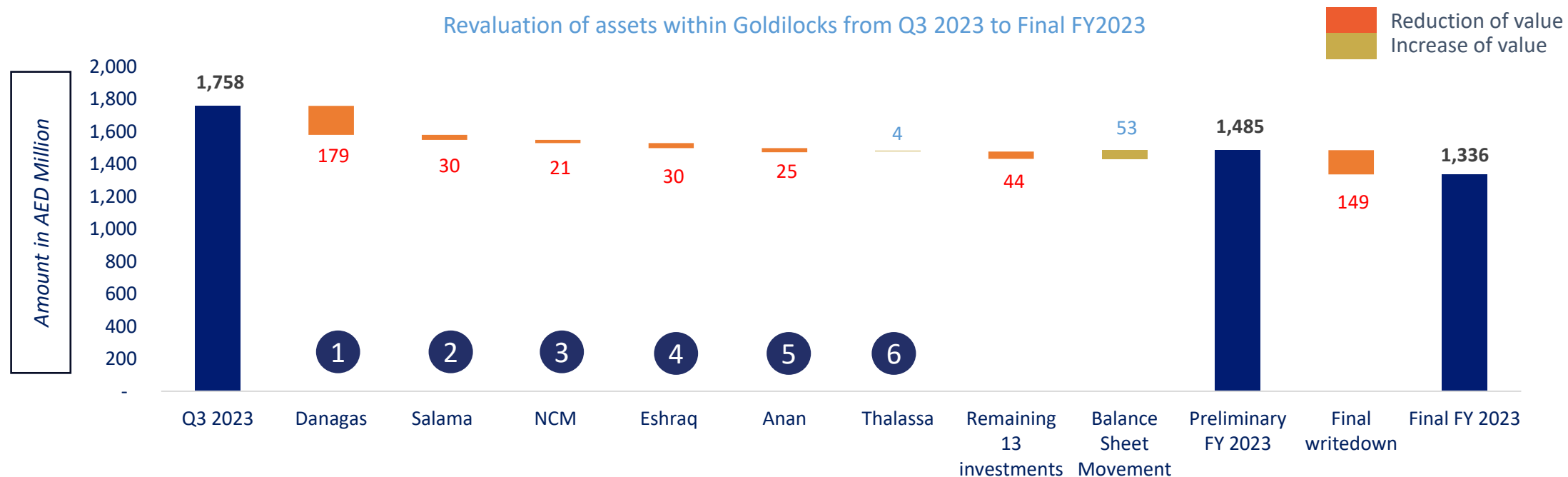


1. Fund net performance as of 31 December 2023

GOLDILOCKS FUND IMPACTED BY REVALUATION OF ASSETS

Prudent revaluation of assets within the Goldilocks Fund

Revaluation of assets within Goldilocks from Q3 2023 to Final FY2023



Overview

- **The Goldilocks Fund's performance in 2023 was materially impacted by market dynamics and volatility**, with some mark-to-market losses resulting from the weak performance of certain key holdings, as well as the prudent revaluation of all assets.
- **The reduction in investment value was the result of an intensive due diligence process** conducted by the new Management and Board, which saw the revaluation of assets held within the Goldilocks Fund.
- **Total underlying net investment value was AED 1.34 billion at the end of 2023**, having stood at AED 1.75 billion in Q3 2023.

SUMMARY OF HISTORICAL FINANCIAL PERFORMANCE

	FY2023 AED '000	FY2022 AED '000	FY2021 AED '000	FY2020 AED '000
Revenue from commercial operations	31,612	41,015	26,216	18,082
Direct Costs	(11,163)	(15,861)	(12,825)	(11,033)
Gross profit from commercial operations	20,449	25,154	13,391	7,049
Net finance income	(9,593)	(907)	7,862	8,322
Dividend income	416	4,294	11,712	8,143
Change in investment FVTPL	(543,751)	541,760	33,496	(9,487)
(Loss)/ income from investments	(543,335)	546,436	46,089	(1,065)
Total operating income	(532,479)	570,683	67,342	14,306
G&A and S&M expenses	(24,086)	(31,930)	(20,011)	(15,878)
Gain / Loss on valuation of IP	958	50,510	(9,110)	(79,155)
Gain / Loss on sale of Assets held for sale	10,459	-	-	-
Profit / (Loss) for the period	(545,101)	589,790	38,429	(80,032)
Total Assets	2,276,674	3,019,773	1,688,819	1,585,705
Total Equity	2,112,781	2,703,665	1,363,255	1,305,472
Book value per share (fils)	74.91	95.86	58.63	56.15
Diluted earnings / (loss) per share (fils)	(20.08)	30.11	1.68	(3.50)

اشراف

ESHRAQ

Thank you

Media enquiries

Teneo

Eshraq@teneo.com

Investor enquiries

IR

IR@eshraqae.com