

Date: 14/11/2023

التاريخ: 2023/11/14

Disclosure and Compliance Section  
Abu Dhabi Securities Exchange  
Abu Dhabi- UAE

السادة / قسم الإفصاح والإمتثال المحترمين  
سوق أبو ظبي للأوراق المالية  
أبو ظبي – الإمارات العربية المتحدة

Greetings,

تحية طيبة وبعد،

**Subject: Announcement – Invite Shareholders to attend Q3 2023 Management Presentation.**

**الموضوع: إعلان – دعوة المساهمين لحضور العرض التقديمي من قبل إدارة الشركة عن الربع الثالث من عام 2023 .**

Following the publication of Eshraq Investments PJSC's Q3 2023 financial results on 10 November 2023, the Company is pleased to invite its shareholders to a presentation and roundtable Q&A session hosted by **Chief Executive Officer Mr. Mohamed Al Hashimi**.

بعد نشر النتائج المالية لشركة إشراق للاستثمار ش.م.ع. للربع الثالث من عام 2023 بتاريخ 10 نوفمبر 2023، يسر إدارة الشركة دعوة المساهمين لحضور عرض تقديمي وجلسة مناقشة يستضيفها الرئيس التنفيذي السيد محمد الهاشمي.

The session will offer Shareholders the opportunity to engage directly with Eshraq's management, learn more about the Company's portfolio and investment philosophy, and review third quarter operational and financial performance.

وستوفر هذه الجلسة للمساهمين فرصة التفاعل المباشر مع إدارة شركة إشراق، ومعرفة المزيد عن محفظة الشركة واستراتيجيتها الاستثمارية، ومراجعة الأداء التشغيلي والمالي للربع الثالث.

#### **Session details**

#### **تفاصيل الجلسة**

**Date:** Wednesday, 15 November 2023

التاريخ: الأربعاء 15 نوفمبر 2023

**Time:** 11:00 GST

الوقت: 11:00 صباحاً

**Location:** Royal M Hotel, Abu Dhabi and Virtual

الموقع: فندق رويال إم، أبو ظبي / وعن طريق التواصل المرئي والصوتي

**Pre-registration for the event is required.**

**التسجيل المسبق لهذا الاجتماع مطلوب.**

**Link to the virtual session will be shared upon registration.**

**سيتم مشاركة رابط الجلسة عند التسجيل**

Shareholders who wish to attend are requested to register by email to:

يرجى من المساهمين الراغبين في الحضور التسجيل عبر البريد الإلكتروني على العنوان التالي:

Mr. Mohammad Al Bazaieh

Corporate Board Secretary

[M\\_AlBazaieh@eshraquae.com](mailto:M_AlBazaieh@eshraquae.com)

السيد محمد البزايعة

أمين سر مجلس الإدارة

[M\\_AlBazaieh@eshraquae.com](mailto:M_AlBazaieh@eshraquae.com)

Best regards,

**Mohammad Al Bazaieh**

Corporate/ Board Secretary

وتفضلوا بقبول فائق الاحترام ،،،

محمد البزايعة

أمين سر مجلس الإدارة

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# Management Presentation

**Q3 & 9M 2023**

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November 2023

# Disclaimer



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.

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# Introduction to Eshraq Investments

# Eshraq: Entering a New Era of Growth

Eshraq is entering a new phase of growth and expansion, driven by our ongoing portfolio optimisation.

## Operating across two business verticals



**Real Estate & Infrastructure**  
*Real Estate Development*



**Goldilocks Fund**  
*Financial Investments*

### Our mission...

to create long-term and enduring value for our shareholders, clients and the communities we serve.

### ...is supported by our vision

to be the trailblazing force in the global Real Estate and investment landscape.

## Underpinned by four core values



### Integrity

Upholding the highest ethical standards in all business dealings.



### Innovation

Embracing innovation to drive sustainable growth and enhance the performance of assets.



### Community Engagement

Actively contributing to improving the communities where we operate.

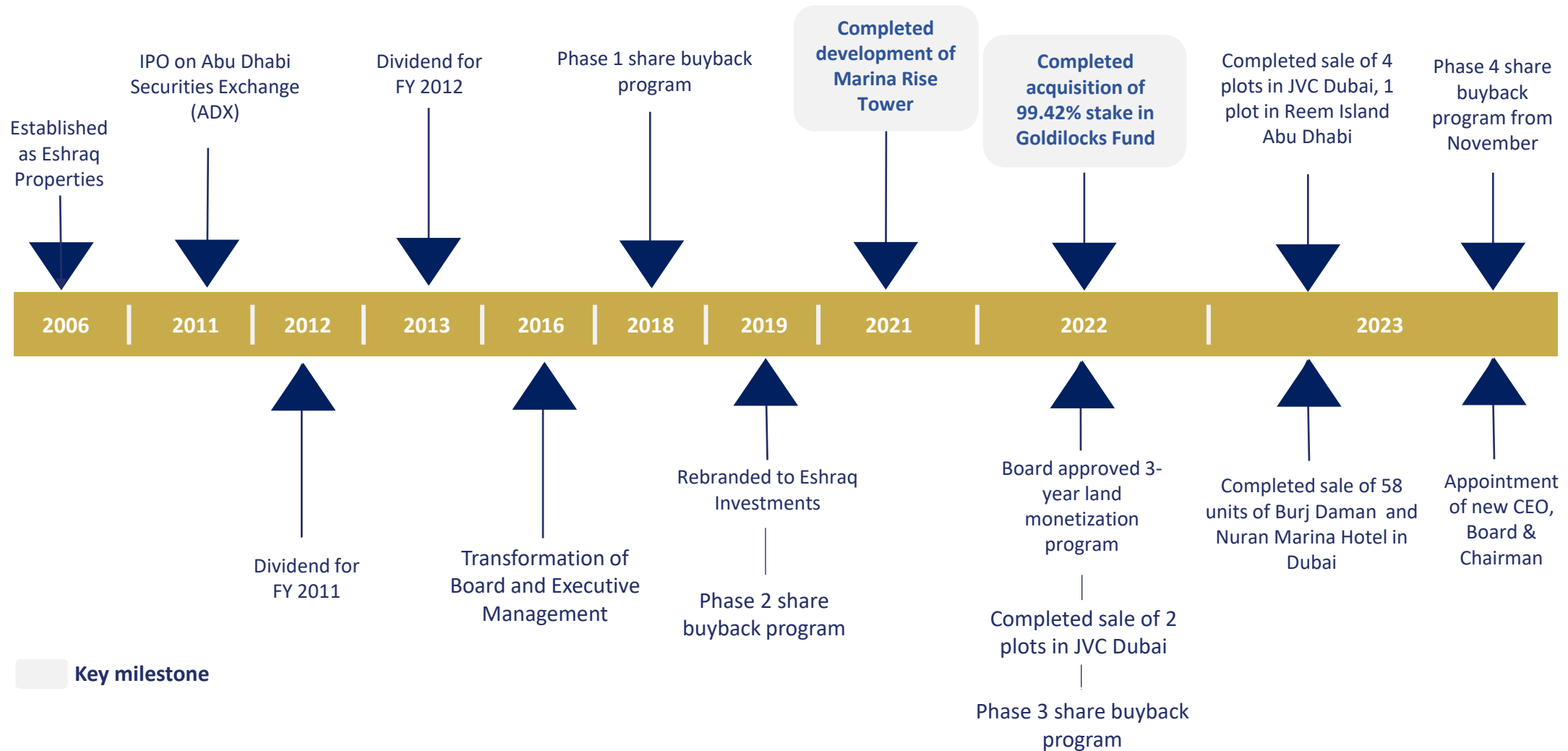


### Sustainability

Prioritizing environmental responsibility across development projects and investment decisions.

# Eshraq's Journey

Committed to continuing to grow our portfolio from primarily Real Estate towards a diversified multi-asset class investment business.



# Our Real Estate Portfolio

Eshraq has a track record of developing and managing income generating Real Estate assets.

## Real Estate Investments

Includes the management of a diverse Real Estate investment portfolio of income-generating properties

5 plots of land previously owned

2 income generating assets<sup>1</sup>

AED 26.6 million annual gross revenue

## A portfolio of residential, commercial and tourism developments

### Marina Rise

- Located on Abu Dhabi's Reem Island
- Includes residential and commercial properties
- Marina Rise Tower is located on the west side of Al Maryah Island



### Elitz by Danube

(\*under development\*)

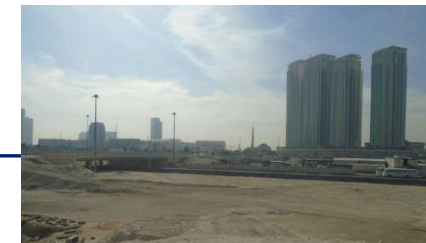
- JV between Eshraq and Danube
- Danube will develop the plot over four years
- Eshraq is paid 10% per annum as interest, in addition to sales value of development, alongside an earnout of AED 4.97 million, or 5% of the project net profit, once complete.
- Twin high-rise residential towers in Jumeriah Village Circle, Dubai



### Vista by Reportage

(\*under development\*)

- JV between Eshraq and Reportage Properties
- Expected to complete by 2028
- Eshraq to receive proceeds over a five-year period through cash and apartment units
- Reportage is one of the largest private developers in the UAE and MENAT



1. Income generating assets post the announced sale of Nuran Marina, as announced in September 2023.

# Realizing Value Through Asset Monetization

Selectively extracting value from our existing Real Estate portfolio.

## Q3 2023<sup>1</sup>

**Announced sale of Nuran Marina** for a consideration of AED 133 million in cash, significantly above book value and in line with portfolio optimization strategy.



## Q2 2023

**Recently completed the transfer of 58 units of Burj Daman** for a total consideration of AED 162.01 million in cash.



## Q4 2022 – H1 2023

**Sold seven plots of land, or 30% of existing land bank by book value**, for a total consideration of AED 208 million, in line with portfolio optimization strategy.



Remain focused on developing non-income generating assets and pursuing profitable investments to deliver greater value to our shareholders

1. Disposal of Nuran Marina announced in September 2023, completed in October 2023.



# Goldilocks Fund: Long-Term Opportunity

Direct investment in undervalued and intrinsically mispriced opportunities across a range of sectors throughout the Middle East.

- Open-ended fund launched in 2015 and acquired by Eshraq Investments in 2022
- Managed by SHUAA GMC Limited
- Targets superior and consistent long-term returns
- Concentrated, research intensive and fundamental value investing strategy

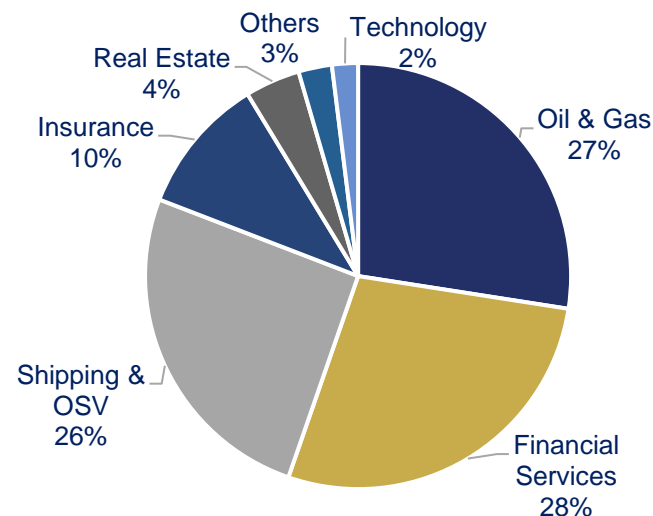
## Highlights

- **19 investments** in international and domestic companies across sectors
- Average investment period of **4-5 years**
- **AED 1.75 billion** total underlying net investment value<sup>2</sup>
- **Net performance of 59%<sup>2</sup>** over three-year period, outperforming regional and international benchmarks

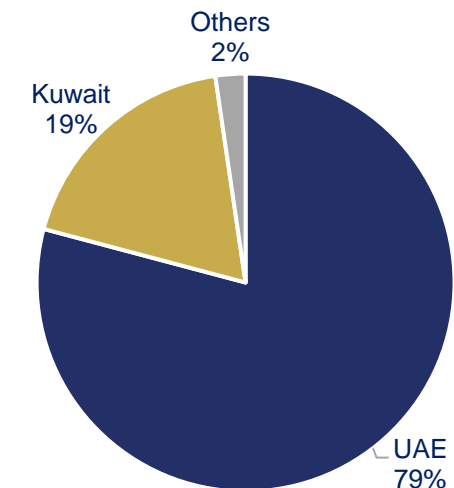
Growth of hypothetical \$1 million investment over time<sup>2</sup>



Cross-sector exposure<sup>1</sup>...



...predominantly investing in the GCC<sup>1</sup>



1. Sector and regional exposure data as at 30 September 2023  
2. Net performance as at 30 September 2023

# Goldilocks: Making Eshraq a Multi-Asset Class Investor

Reinvesting proceeds from Real Estate optimization on profitable assets across multiple sectors.

## Financial Investments

Includes direct participation in financial markets, focusing on long-term investments across equities, bonds and alternative assets.

**c.51%** public equity exposure<sup>1</sup>

**c.46%** private equity exposure<sup>1</sup>

**c.3%** debt exposure<sup>1</sup>

## Underlying investments across multiple sectors and regions



### Sector exposure<sup>1</sup>

Financial Services c.28%  
Energy c.27%  
Shipping & OSV c.26%  
Insurance c.10%  
Real Estate c.4%  
Other c.3%  
Technology c.2%

### Key public equity investments (c.51% of portfolio<sup>1</sup>) including:

- **Dana Gas**, the largest non-government owned natural gas company in the Middle East.
- **Salama**, one of the top 5 insurance providers in the UAE.

### Key private equity investments (c.46% of portfolio<sup>1</sup>) including:

- **Stanford Marine**, UAE based shipping company serving the Energy sector.
- **Allianz Marine**, leading provider of offshore support vessels and marine logistics across the Middle East, India and Singapore.

1. Portfolio, sector exposure and holdings based on 30 September 2023.

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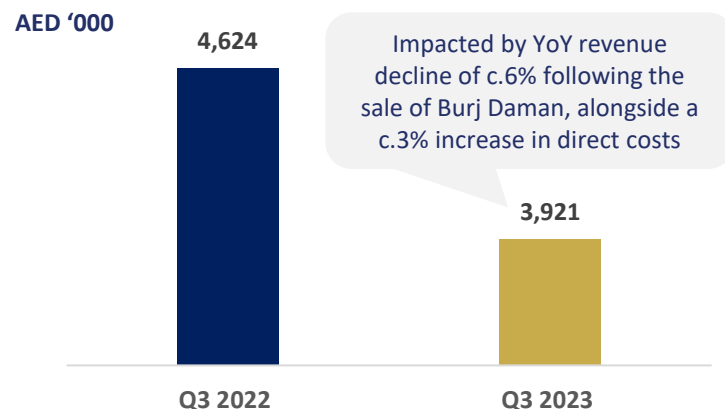
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# Q3 2023 Business Review

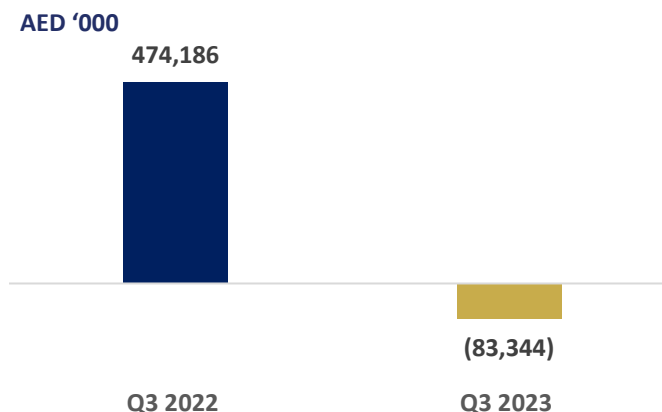
# Q3 2023: Strategic Progress

Strengthening the overall investor proposition through ongoing portfolio optimization.

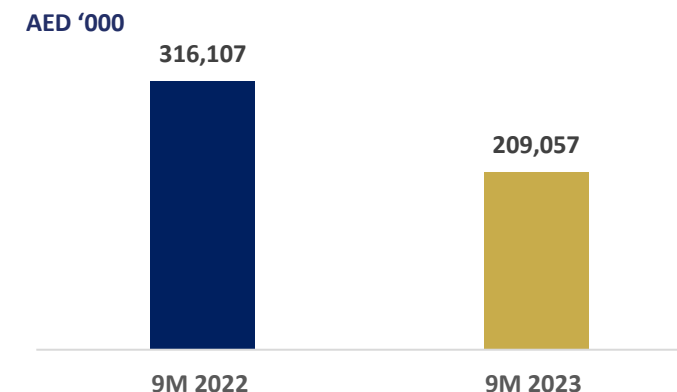
## Q3 2023 gross profit from commercial operations of AED 3.9 million



## Q3 2023 profit/(loss) for the period of AED (83.3) million



## Total liabilities reduced by 34% for the 9M period



### Q3 2023 financial highlights

- **Total loss from investments** of AED (85.0) million
- **Total operating loss** of AED (83.2) million
- **YoY increase in net finance costs** due to higher interest rate environment
- **Net loss of AED (83.3) million**, impacted by the value of the Goldilocks Fund and higher interest rates
- **Total liabilities reduced by over 30% YoY**, driven by a reduction in bank borrowings

### Q3 2023 strategic highlights and progress

- **Healthy occupancy across Real Estate assets**
- **Appointment of new Chief Executive Officer** in August 2023 to spearhead growth efforts
- **Re-composition of Board with appointment of new Chairman** and directors to guide future strategic direction
- **Share buyback approved by Board**, aims to create value for shareholders and underpins confidence in long-term growth

# Q3 2023: Real Estate Asset Performance

Monetizing Real Estate assets through development, joint ventures and sale of land plots.

## Real Estate portfolio optimization



## Real Estate assets YTD financial performance

Nuran Marina	YTD Sept 2022	YTD Sept 2023	Burj Daman	YTD Sept 2022	YTD Sept 2023 <sup>1</sup>
Revenue	13,282	<b>13,688</b>	Revenue	6,199	<b>2,520</b>
Profit/(loss)	6,802	<b>6,257</b>	Profit/(loss)	4,529	<b>1,688</b>
Marina Rise	YTD Sept 2022	YTD Sept 2023	Beans & Pages	YTD Sept 2022	YTD Sept 2023
Revenue	10,037	<b>10,289</b>	Revenue	16	<b>46</b>
Profit/(loss)	6,922	<b>7,249</b>	Profit/(loss)	(58) <sup>2</sup>	<b>(246)</b>

Marina Rise occupancy rate reached record average of 94% in Q3 2023

## Q3 2023 Real Estate financial and strategic highlights


**Good progress on land monetization, having sold 3 plots YTD**



**Commercial Real Estate operations generated AED 6.9 million of revenue in Q3, driven by room revenue growth of c.5% YoY**



**Gross profit from commercial operations reached AED 3.9 million**



**Healthy occupancy levels across Real Estate assets**



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

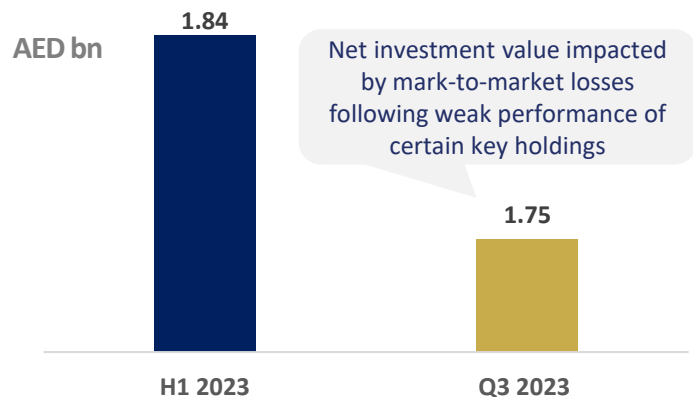


1. 58 Burj Daman apartments were sold in Q2 2023.  
2. Beans and Pages operations began in Q2 2022

# Q3 2023: Goldilocks Fund Performance

Underlying market dynamics and weak performance of certain individual equities impacting fund performance in the third quarter.

## Q3 2023 Goldilocks underlying net investment value of AED 1.75 billion



## Q3 2023 Goldilocks investment breakdown - top five holdings

Investment*	% of portfolio
Dana Gas	27.5%
Thalassa Investments	25.5%
NCM Investment Company	18.6%
Eshraq Investments	8.8%
Islamic Arabic Insurance Co (Salama)	8.8%

\* Holdings as at 30 September 2023

## Goldilocks Q3 2023 financial and strategic highlights

**Goldilocks Fund underlying net investment value of AED 1.75 billion in Q3 2023**



**Net performance of 59%<sup>1</sup> over the last three years, outperforming regional and international benchmarks**



**19 investments in the portfolio as at 30 September 2023**



**9M 2023 interest income of AED 2.7 million**



**Performance expected to improve given growing maturity of underlying investments across asset classes**



1. Fund net performance as at 30 September 2023

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# Strategic Priorities & Outlook

# Strategic Priorities & Opportunities

Appointment of new Chairman and Board members coupled with continued progress on optimizing Real Estate portfolio.



## Board re-composition and appointments

**Size of Board reduced from seven to five members**, of which four are independent.



**Mr. Fahad Abdul Qader Al Qassim appointed as Chairman**, adding value through deep experience in Portfolio Management & Investment Banking.



**Mr. Jacques E. Fakhoury appointed as new Board member**, bringing significant and highly relevant experience from a range of industries.



## Healthy progress on land monetization

**YTD Eshraq has sold seven land plots**, representing c.30% of its existing land bank by book value, for a total sale consideration of AED 208 million.



**Solid progress on optimizing Real Estate portfolio** following announced sale of Nuran Marina Hotel for AED 133 million in cash, and 58 units of Burj Daman in Q2 2023 for AED 162 million in cash.



**Reinvesting proceeds in assets** that present both capital appreciation and income opportunity – ultimately **supporting improved shareholder value creation.**



# Strategic Priorities & Opportunities

Launch of another share buyback program and the diversification of the Goldilocks Fund.



## Launch of another share buyback program

**Buyback program approved by the Board**, aiming to create value for shareholders and taking advantage of strong balance sheet position to return excess cash.



**Completed previous share buyback program**, having repurchased a total of c.130 million shares, with an aggregate value of AED 71.2 million.



**Reaffirms confidence** in the Group's long-term growth prospects.



## Ongoing diversification of Goldilocks Fund

**Goldilocks 3-year net performance of 59%<sup>1</sup>**, outperforming regional benchmarks including S&P Pan Arab (+40%) and MSCI World (+26%).



**Further portfolio diversification expected in Q4 2023**, yielding higher future returns given growing maturity of underlying investments.



**GCC corporate fundamentals remains robust** with macroeconomic activity buoyant.

1. Fund net performance as at 30 September 2023

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# Appendix

# Historic Financial Performance

	YTD Sept 2023 AED '000	FY2022 AED '000	FY2021 AED '000	FY2020 AED '000
Revenue from commercial operations	26,578	41,015	26,216	18,082
Direct Costs	(9,243)	(15,861)	(12,825)	(11,033)
<b>Gross profit from commercial operations</b>	<b>17,335</b>	<b>25,154</b>	<b>13,391</b>	<b>7,049</b>
<b>Net finance income</b>	<b>(7,198)</b>	<b>(907)</b>	<b>7,862</b>	<b>8,322</b>
Dividend income	416	4,294	11,712	8,143
Change in investment FVTPL	(52,076)	541,760	33,496	(9,487)
<b>Total income from investments</b>	<b>(51,660)</b>	<b>546,436</b>	<b>46,089</b>	<b>(1,065)</b>
<b>Total operating income</b>	<b>(41,523)</b>	<b>570,683</b>	<b>67,342</b>	<b>14,306</b>
G&A and S&M expenses	(15,729)	(31,930)	(20,011)	(15,878)
Gain / Loss on valuation of IP	2,558	50,510	(9,110)	(79,155)
Gain / Loss on sale of Assets held for sale	(26,784)	-	-	-
<b>Profit / (Loss) for the period</b>	<b>(81,440)</b>	<b>589,790</b>	<b>38,429</b>	<b>(80,032)</b>
<b>Total Assets</b>	<b>2,787,507</b>	<b>3,019,773</b>	<b>1,688,819</b>	<b>1,585,705</b>
<b>Total Equity</b>	<b>2,578,449</b>	<b>2,703,665</b>	<b>1,363,255</b>	<b>1,305,472</b>
<b>Book value per share (fils)</b>	<b>91.42</b>	<b>95.86</b>	<b>58.63</b>	<b>56.15</b>
<b>Diluted earning per share (fils)</b>	<b>(2.99)</b>	<b>30.11</b>	<b>2.72</b>	<b>(3.50)</b>

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Thank you

Media enquiries

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