

# Yorkton Equity Group Inc. Announces Financial Results for First Quarter Ended March 31, 2023

NEWS RELEASE BY YORKTON EQUITY GROUP INC.

**Edmonton, Alberta | June 01, 2023 06:00 PM Eastern Daylight Time**

Edmonton, AB - TheNewswire - June 1, 2023 - Yorkton Equity Group Inc. (TSX.V:YEG) ("Yorkton" or the "Company") is very pleased to announce its financial results for the first quarter ended March 31, 2023.

Mr. Ben Lui, President and CEO of Yorkton says, "We are delighted to announce the financial results of Q1 2023, reflecting the continued growth and success of Yorkton. Our total rental revenue has increased to approximately \$1.2 million during the three months ended March 31, 2023, which is an increase of over 90% as compared to Q1 2022, due to acquisitions of multi-family rental properties in Alberta and British Columbia. We are proud of our expanding investment property portfolio, which is now approaching \$100 million as at March 31, 2023, demonstrating an increase of over 100% as compared to March 31, 2022. The Dwell played a significant role in driving this growth, adding 188 condo grade units and total rental revenue of \$310,134 in the last month of Q1 2023, as the acquisition closed on February 27, 2023. These achievements highlight our commitment to delivering exceptional value and experiences to our residents and stakeholders. We look forward to building upon this momentum and capitalizing on future additional accretive opportunities."

## Q1 2023 Financial Highlights

Total rental revenue increased by \$558,731 or 90.8% to \$1,173,792 in Q1 2023 compared to \$615,061 in Q1 2022 and net rental income increased by \$457,236 or 124.3% to \$825,058 in Q1 2023 as compared to \$367,822 in Q1 2022. These increases were primarily due to the purchase of The Dwell (Edmonton, AB) on February 27, 2023 and Shamrock Townhomes and Windsor Estates (Fort St. John, BC) on April 11, 2022.

During Q1 2023, Yorkton acquired "The Dwell", a significant new investment property to add to its growing portfolio. The Dwell is a 188 unit multi-family residential complex, with

construction completed in 2022, comprising of two luxury condominium grade buildings located in Edmonton, Alberta. Total aggregate consideration paid was \$41,736,000 and the Company financed the purchase with additional new CMHC insured mortgage debt of \$40,159,300 at an interest rate of 3.617% per annum amortized over fifty (50) years. From the date of acquisition, on February 27, 2023, to March 31, 2023, the Dwell generated total rental revenue of \$310,134 and net rental income of \$147,985.



The Company also achieved a net income and comprehensive income in Q1 2023 compared to a net loss and comprehensive loss of \$218,927 in Q1 2022. This was primarily driven by the increases in rental revenue from the rental property additions described above.

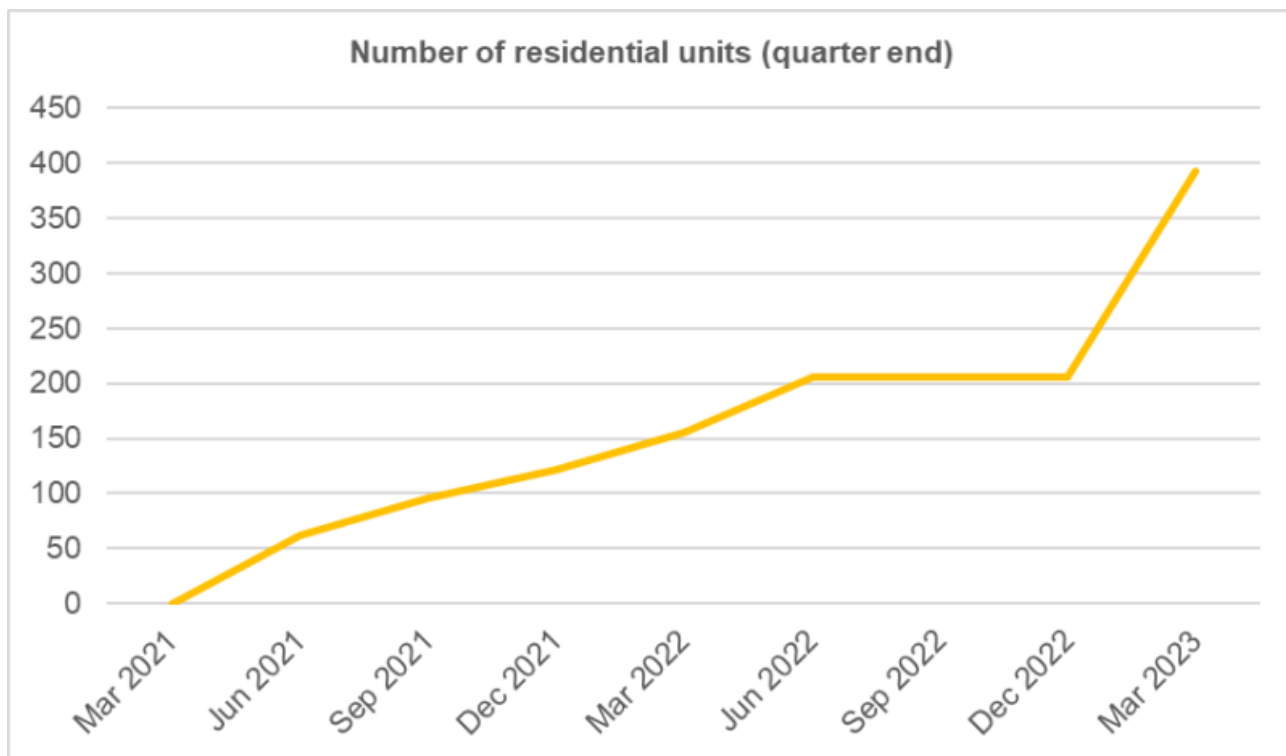
Net cash generated from operating activities in Q1 2023 was \$965,194 as compared to net cash spent on operating activities of \$441,862 in Q1 2022. This increase in cash generated from operating activities of \$1,407,056 is due to the rental property additions described above together with changes in non-cash operating working capital and other factors.

Highlights of the residential rental portfolio as at March 31, 2023 and 2022 are:

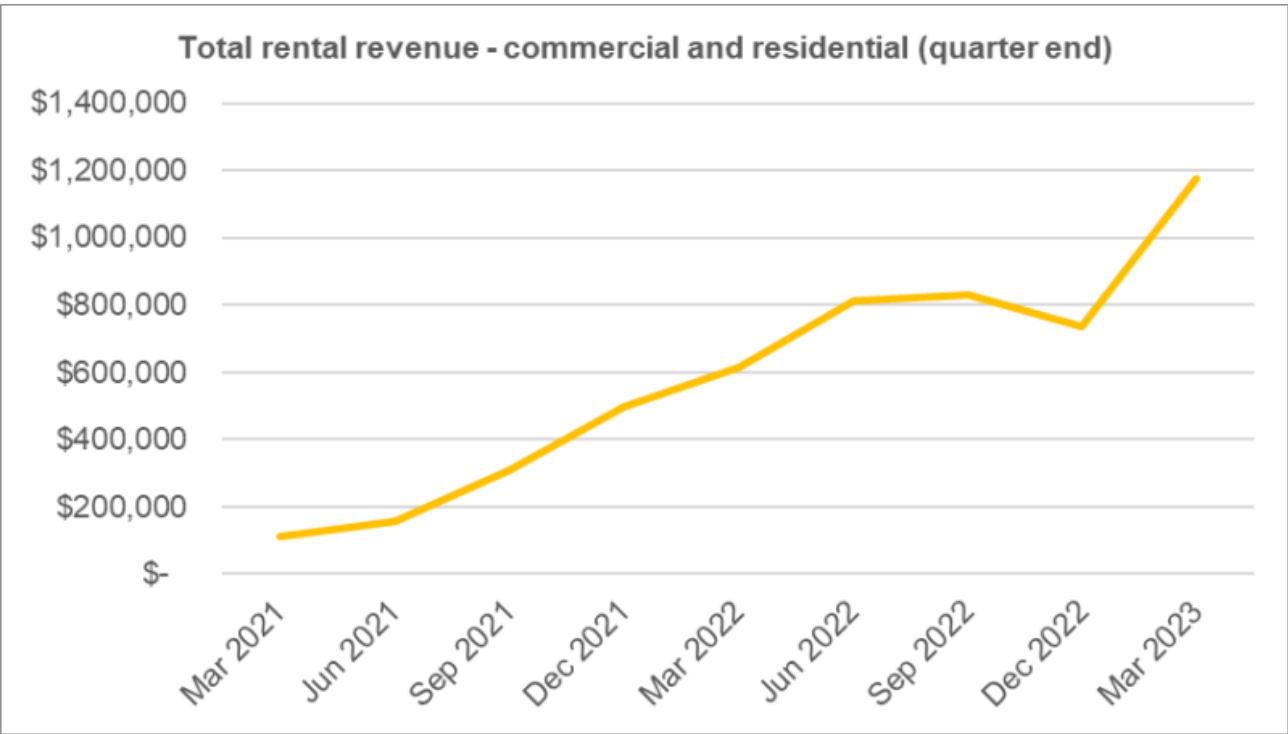
	March 31, 2023	March 31, 2022	% change
Rental revenue (quarter)	\$ 1,053,977	\$ 519,281	103.0%
Net rental income (quarter)	\$ 731,881	\$ 288,734	153.5%
Weighted average number of units (quarter)	272	144	88.9%
Average occupancy rate (quarter)	95%	94%	1.1%
Average monthly rent (period end)	\$ 1,344	\$ 1,141	17.8%

The total investment property portfolio grew by \$49,265,826 or 104.2% to \$96,548,352 as at March 31, 2023 as compared to \$47,282,526 as at March 31, 2022.

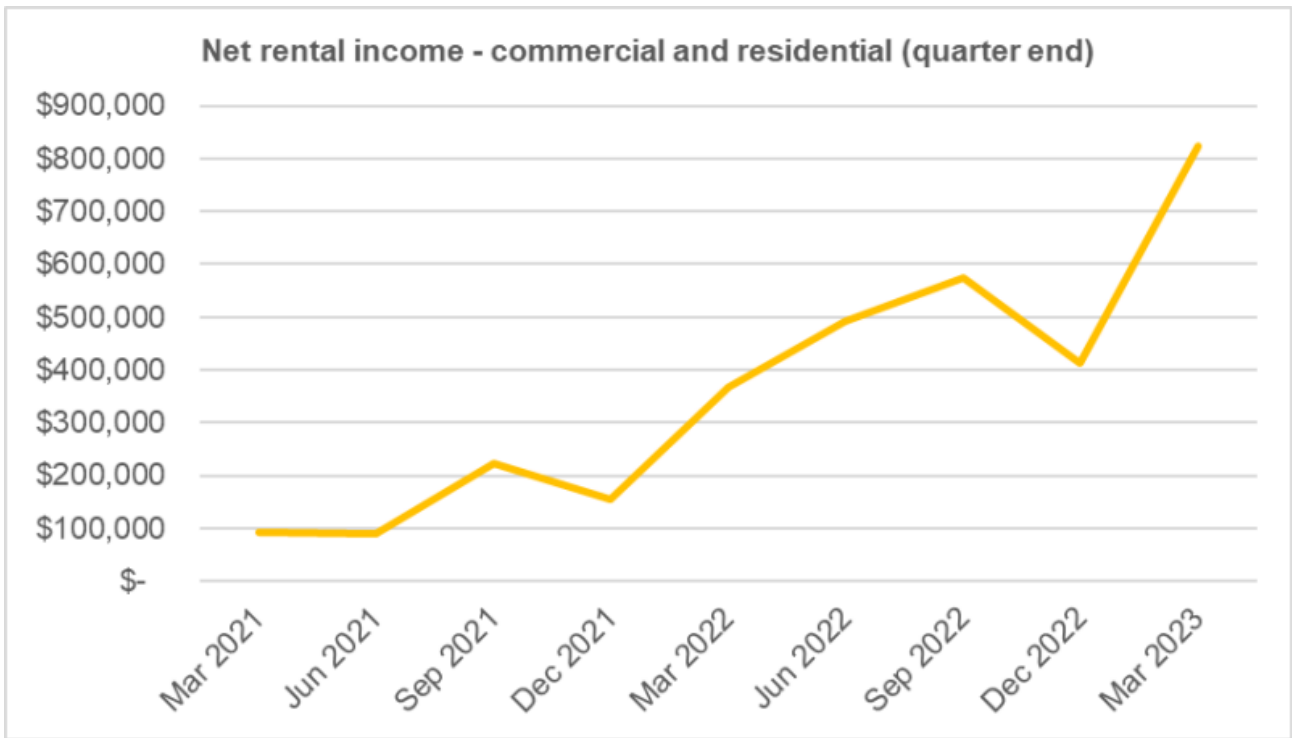
The growth of Yorkton is illustrated by the graphs below:



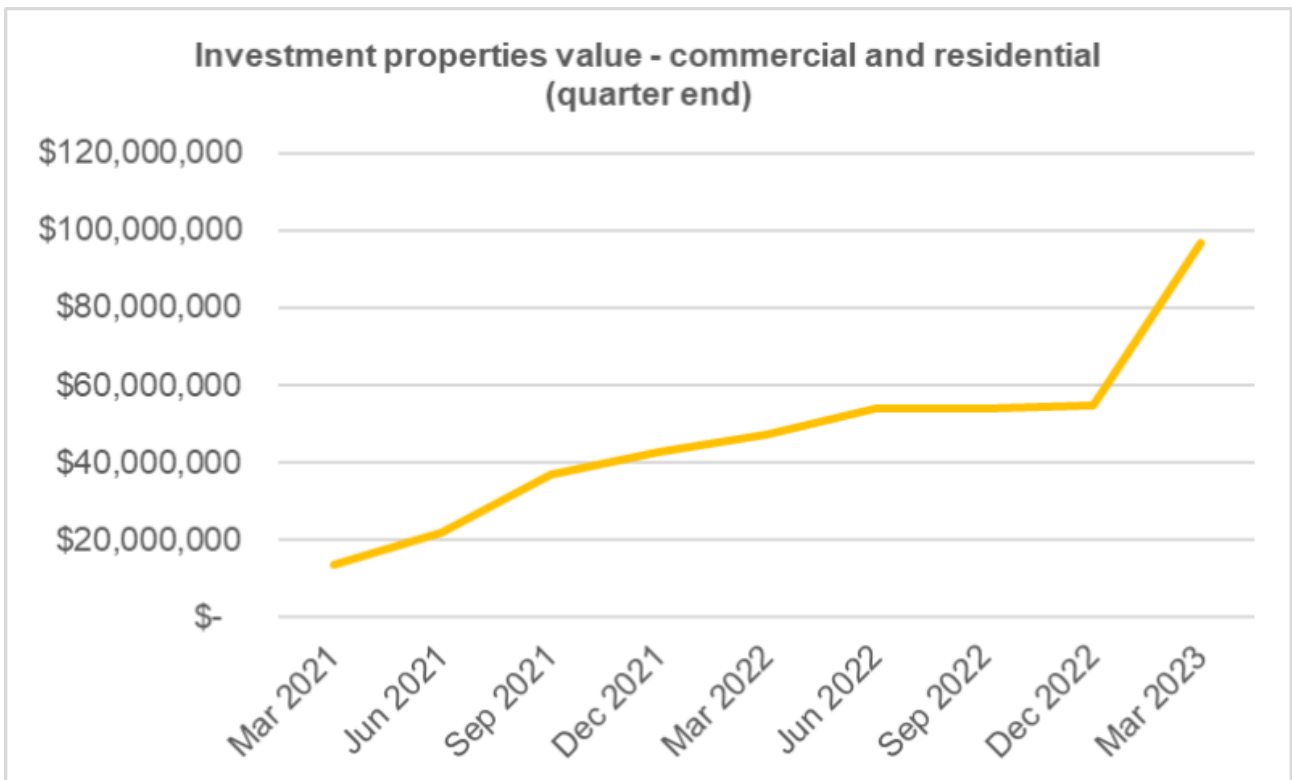
Click Image To View Full Size



Click Image To View Full Size



[Click Image To View Full Size](#)



[Click Image To View Full Size](#)

On January 26, 2023, the Company completed a non-brokered private placement of 258 unsecured convertible debentures at an issue price of \$1,000 per convertible debenture for gross proceeds of \$258,000. Each convertible debenture has an interest rate equal to 8% per annum and will mature on the date that is 5 years from the date of issuance subject to certain terms and conditions. The principal amount of each convertible debenture may, at the option of the holder, be converted into common shares at a conversion price of \$0.30.

## About Yorkton

Yorkton Equity Group Inc. is a growth-oriented real estate investment company committed to providing shareholders with growing assets through accretive acquisitions, organic growth, and the active management of multi-family rental properties with significant upside potential. Our current geographical focus is markets in Alberta and British Columbia with diversified and growing economies, and strong population in-migration. Our business objectives are to achieve growing Net Operating Income (“NOI”) as well as the asset values in our multi-family rental property portfolio in strategic markets across Western Canada.

The management team at Yorkton Equity Group Inc. has well over 30 years of real estate experience in acquiring and managing rental assets.

Further information about Yorkton is available on the Company’s website at [www.yorktonequitygroup.com](http://www.yorktonequitygroup.com) and the SEDAR website at [www.sedar.com](http://www.sedar.com).

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information on Yorkton, please contact:

Ben Lui, CEO - Corporate Office: (780) 409-8228

Yorkton Equity Group Inc. - Shareholder Communications: (780) 907-5263

Email: [investors@yorktonequitygroup.com](mailto:investors@yorktonequitygroup.com)

### Forward-looking information

This press release may include forward-looking information within the meaning of Canadian securities legislation concerning the business of Yorkton. Forward-looking information is based on certain key expectations and assumptions made by the management of Yorkton. Although Yorkton believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Yorkton can give no assurance that they will prove to be correct. Forward-looking statements contained in this press release are made as of the date of this press release. Yorkton disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended, or any applicable securities laws or any state of the United States and may not be offered or sold in the United States or to the account or benefit of a person in the United States absent an exemption from the registration requirement.

## Tags

**FINANCE**

**MINING**

**REALESTATE**