

Yorkton Equity Group Inc. Announces Financial Results for the 2023 Fiscal Year and Provides Corporate Update

Edmonton, Alberta – (April 25, 2024) – Yorkton Equity Group Inc. (TSXV YEG) (“Yorkton” or the “Company”) is very pleased to announce its financial results for the year ended December 31, 2023.

Mr. Ben Lui, President and CEO of Yorkton, is very excited to report, “Yorkton experienced strong growth in 2023; residential rental revenue increased by 150% to \$6.8 million and residential net rental income increased by 172% to \$4.3 million. Yorkton also reported a net income and comprehensive income of \$3.4 million and basic and diluted income per common share of \$0.03 in 2023. This performance is due to our strong organic growth, achieved by streamlining our operations through utilizing the newly implemented property management software and ERP system, together with our strategic investment property acquisitions, which added 313 luxurious condominium grade units in Edmonton, Alberta to our multi-family rental property portfolio. These acquisitions well positioned Yorkton to capitalize on the growth in Alberta’s multi-family rental market, which has recently been driven by factors such as a rapidly expanding population from interprovincial and international immigration, a resilient economy, a robust labor market, affordable housing costs and fewer regulations around rent controls compared to other markets in Canada. Based on our sound business foundation, Yorkton will continue this growth strategy in 2024.”

2023 Financial Highlights

- Total rental revenue increased by \$3,824,546 or 127.8% to \$6,817,880. This was composed of an increase in rental revenue from the residential investment properties of \$3,918,704 or 150.2% to \$6,527,070 and a decrease in rental revenue from the commercial investment property of \$94,158 or 24.4% to \$290,810.
- Net rental income increased by \$2,455,022 or 133.0% to \$4,300,233.
- The acquisition of The Dwell (Edmonton, AB) on February 27th, 2023, added \$2,967,685 of rental revenue and \$1,931,372 of net rental income during 2023.
- The acquisition of The FUSE (Edmonton, AB) on October 16th, 2023, added \$447,907 of rental revenue and \$313,934 of net rental income during 2023.
- Overall there was net income and comprehensive income of \$3,437,960 in 2023 as compared to a net loss and comprehensive loss of \$161,973 in 2022.
- **As at December 31st, 2023, Yorkton holds 518 residential rental units and 28,036 sq.ft. of commercial space with a total portfolio value of \$126,630,000, which grew by 131.8% as compared to December 31st, 2022.**

Highlights of the residential rental portfolio for the year ended December 31st, 2023 are:

	December 31, 2023	Year ended December 31, 2022	% change
Rental revenue	\$ 6,527,070	\$ 2,608,366	150.2%
Net rental income	\$ 4,194,146	\$ 1,538,698	172.6%
Weighted average number of units	389	189	105.8%
Average occupancy rate	97%	94%	3.2%
Average gross monthly rent	\$ 1,441	\$ 1,223	17.8%

Corporate Update

Below is a summary of certain events that have occurred since the December 31st, 2023 fiscal year end:

- On February 21, 2024, the Company consolidated the three (3) mortgages payable held by 1421526 Alberta Ltd. into one (1) demand non-revolving mortgage with a principal balance of \$3,252,300. The consolidated mortgage payable bears interest at prime plus 1.25% per annum and is repayable in equal blended monthly payments based on an amortization of 264 months, unless demanded earlier by the lender. The consolidated mortgage payable is secured by specific charges against the commercial property and land held for development, general assignment of rent, general security agreement and a personal guarantee from the CEO of the Company equal to 100% of the loan. In addition, 1421526 Alberta Ltd. is required to maintain an annual DSCR of 1.25:1 on the consolidated mortgage payable, which is measured and tested at December 31st of each year, during the term of the consolidated mortgage payable, based on the financial results of the previous twelve (12) month period.

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 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 prior real estate experience in acquiring and managing rental assets.

Further information about Yorkton is available on the Company’s website at www.yorktonequitygroup.com and the SEDAR+ website at www.sedarplus.ca.

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.

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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.

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