

NRI Real Estate Investment and Technology, Inc.

Announces 2022 Financial Results

CORAL GABLES, FL - March 31, 2023 - NRI Real Estate Investment and Technology, Inc., a Maryland corporation and formerly known as NRI Real Token, Inc. (the "Company"), today announced financial and operational results for the year ended December 31, 2022. The Company's full financial results will be filed on an Annual Report on Form 10-K with the Securities and Exchange Commission ("SEC") by April 14, 2023, within the extension period permitted under Rule 12b-25.

Below are certain key business and operational highlights of the Company for the year ended December 31, 2022.

2022 BUSINESS AND OPERATIONAL HIGHLIGHTS

- Total revenue was \$37.1 million and \$24.9 million for the years ended December 31, 2022 and 2021, respectively.
- Multifamily rental component of property was 97.5% leased, with average rents of \$4.22/sf. There is a waitlist of over 90 prospective residents. The Company will continue to seek to drive rents higher in line with the current market on new leases and renewals.
 - Rent growth on comparable new residential leases signed in the year 2022 averaged 36.8%.
 - Rent growth on renewal residential leases signed in the year 2022 averaged 24.6%.
- Food & Beverage component within the Hotel generated \$11.3 million in revenue for the year ended December 31, 2022, compared to \$8.5 million for the year ended December 31, 2021.
- Total Hotel revenue (inclusive of Food & Beverage and miscellaneous revenue) for the year ended December 31, 2022 equaled \$23.2 million for a Total Revenue per Available Room ("TRevPAR") of \$259.64, compared to \$16.4 million and a TRevPAR of \$183.44 for the year ended December 31, 2021.

- Total Hotel revenue (inclusive of Food & Beverage and miscellaneous revenue) for the fourth quarter of 2022 equaled \$6.1 million for a TRevPAR of \$269.73, compared to \$5.1 million and a TRevPAR of \$224.24 for the fourth quarter of 2021.
- Hotel average occupancy for the year ended December 31, 2022 was approximately 62.2% and Hotel Average Daily Rate ("ADR") was \$211.73 compared to 49.5% and \$177.68 for the year ended December 31, 2021.
- Hotel average occupancy for the fourth quarter was approximately 63.0% and ADR was \$216.57 compared to compared to 51.5% and \$184.17 for the year ended December 31, 2021.
- Below is further monthly detail relating to ADR and occupancy on a monthly basis over the year ended December 31, 2022:
 - **January 2022:**
 - ADR: \$204.45
 - Occupancy: 53.0%
 - **February 2022:**
 - ADR: \$241.87
 - Occupancy: 67.1%
 - **March 2022:**
 - ADR: \$245.00
 - Occupancy: 68.5%
 - **April 2022:**
 - ADR: \$229.07
 - Occupancy: 62.1%
 - **May 2022:**
 - ADR: \$266.65
 - Occupancy: 56.5%
 - **June 2022:**
 - ADR: \$171.40
 - Occupancy: 54.8%
 - **July 2022:**
 - ADR: \$156.26
 - Occupancy: 57.2%
 - **August 2022:**
 - ADR: \$205.48
 - Occupancy: 66.4%
 - **September 2022:**
 - ADR: \$168.24
 - Occupancy: 72.2%

- **October 2022:**
 - ADR: \$209.22
 - Occupancy: 65.3%
 - **November 2022:**
 - ADR: \$211.11
 - Occupancy: 65.4%
 - **December 2022:**
 - ADR: \$230.68
 - Occupancy: 58.4%
- The Hotel Management remains focused on driving ADR to better position the Hotel in the mid to upper end of market segment relative to our competitive property set.
 - Retail component highlights include:
 - The retail component is now approximately 86% leased, and we are currently in negotiations for the remaining approximately 3,800 SF of vacant space
 - The project generated positive operating cash flow of \$6.8 million and \$3.7 million for the years ended December 31, 2022 and December 31, 2021, respectively. Operating cash flow consists of total revenue less total operating expense plus depreciation expense. We continue to be negatively affected by significantly higher borrowing costs. Generating sufficient cash flow after debt service for distributions is dependent on the revenue components of the various elements of the project, including the continued ramp up of the hotel toward stabilized occupancy; retail rents commencing under the signed leases, and in particular, with our largest retail tenant; and sustaining or exceeding the current revenues in our food and beverage and residential operations. Our credit agreements permit distributions once the Company surpasses a credit agreement defined 5.75% debt yield threshold, based on trailing revenues and expenses for the hotel, retail, and parking components. We exceeded the 5.75% debt yield threshold in the first quarter of 2023. Given our debt service costs, as well as operational constraints such as the delayed retail rent commencement dates, we currently expect to initiate distributions to investors in the second quarter of 2023. In addition, our credit agreements also provide for a rate reduction of .25% upon achieving a 6.75% debt yield threshold. The Company achieved that threshold in the first quarter of 2023, and the interest rate spread was reduced effective March 9, 2023.

ABOUT NRI REAL ESTATE INVESTMENT AND TECHNOLOGY, INC.

NRI Real Estate Investment and Technology, Inc. is a Maryland corporation incorporated on June 2, 2021, for the initial purpose of owning, developing and

managing THesis Miami, located at 1350 S Dixie Highway, Coral Gables, Florida 33146. THesis Miami, also referred to as the Property, includes a hotel, apartments, retail (restaurants and shopping) units and a parking garage. NRI Real Estate Investment and Technology, Inc. intends to elect to be taxed as a real estate investment trust (REIT) under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended, beginning with the taxable year ending December 31, 2022.

CAUTIONARY STATEMENTS

This press release contains certain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Statements that do not relate strictly to historical or current facts are forward-looking and can be identified by the use of words such as "anticipate," "estimate," "could," "would," "should," "will," "may," "forecast," "approximate," "expect," "project," "seek," "predict," "potential," "intend," "plan," "believe," the negatives of such terms and other words of similar meaning. Without limiting the generality of the foregoing, forward-looking statements contained in this press release include statements regarding the Company and its industry relating to matters such as anticipated future financial and operational performance, business prospects, expected distributions, and expectations regarding occupancy and rent.

The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from projected results. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. The Company has based these forward-looking statements on current expectations and assumptions about future events, taking into account all information currently known by the Company. While the Company considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks and uncertainties, many of which are difficult to predict and beyond the Company's control. These risks and uncertainties include those risks described under the section entitled "Item 1A. Risk Factors" in the Company's Form 10 filed with the SEC, as updated by any subsequent filings which the Company makes with the SEC, including its Annual Report on Form 10-K for the year ended December 31, 2022 to be filed. Should one or more of these risks or uncertainties materialize, or should any of the assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. The Company will not and does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.