

SHUAA steps up support to address frozen credit markets with its strengthened corporate restructuring and financial services

- SHUAA brings track-record of structuring and investing over US\$ 4 billion of debt deals
- Underlines commitment to supporting business sector by leveraging SHUAA's 40-year-heritage and expertise
- With over US\$ 600 million in total amount raised through SHUAA-led sukuk, company is the most active non-bank advisor in the region for sukuk issuances now

United Arab Emirates, 3 June 2020: SHUAA Capital psc (DFM: SHUAA), the leading asset management and investment banking platform in the region, has announced the strengthening of its specialised corporate restructuring service, to support reenergising the business sector.

Specially created to address the frozen credit markets resulting in liquidity issues and potential insolvency concerns faced by many businesses that have been impacted by the COVID-19 crisis, the SHUAA corporate restructuring solutions open doors for businesses to new credit lines, enabling them to overcome their business challenges.

In a swift response to the market condition, SHUAA has also strengthened its advisory services for corporates to execute capital raising through diverse instruments such as mezzanine/sub-ordinated debt, Term Loan B (TLBs), fixed income, convertibles, and preferred equity, among others.

SHUAA's support for the business community, including large corporates and small & medium enterprises, builds on its 40-year heritage and expertise, having supported companies through several challenging economic cycles in the past.

SHUAA already has proven experience in amortizing bond issuance, providing additional capital to the company and matching its repayment terms to its cash flows. In the past few years, the firm has structured and invested over US\$4 billion of debt deals including almost US\$1 billion of high yield / alternative debt transactions.

Jassim Alseddiqi, Chief Executive Officer of SHUAA Capital said: "The COVID-19 pandemic has had a significant impact on businesses, freezing their credit lines, and pushing several to insolvency. The UAE has been among the first nations to announce a financial stimulus package to support the business community and to direct them back to healthy fundamentals. As a company committed to creating value for our stakeholders, we understand that businesses need access to both revenue and liquidity, especially as we prepare for the post COVID-19 world. By strengthening our corporate restructuring service, we are stepping up our support to the business community and preparing them to emerge safer and stronger from the current crisis."

"SHUAA brings ADFG's understanding of debt with SHUAA Capital's expertise in fixed income trading, positioning it as the financial advisory leader in corporate restructuring as well as issuing and trading high yield debt and fixed income instruments. The 'extend and pretend' approach to restructuring debt no longer works. Corporates need to look at the full range of instruments available to optimise their balance sheet to grow out of their liquidity issues. That is what SHUAA brings to the table and we are confident that our service portfolio will address what we see as a crisis of confidence in the market."

Established in 1979 as the oldest investment bank in the Middle East, SHUAA pioneered many of the firsts in the region's financial markets including taking a lead on almost every IPO. SHUAA acts as advisors and arrangers in restructuring and recapitalizing corporate balance sheet. Among its restructuring mandates is for Drake & Scull as well as the recent successful completion of the region's first high-yield fixed income issuance for Gulf Navigation (with a total value of AED 125 million), since the COVID-19 pandemic froze credit markets globally

SHUAA Capital is playing a key role in the regional sukuk market as a mandate lead arranger for several issuances, including the GFH Financial Group's US\$ 300 million five-year sukuk in early 2020 and Jabal Omar Development Company's US\$ 135 million five-year sukuk and The First Group's US\$ 135 million Sukuk in 2019. This brings the total amount raised for SHUAA-led sukuk to more than US\$ 600 million during the past year and a half, making it the most active non-bank advisor in the Middle East for sukuk issuances.

SHUAA also has a proven track-record in investment banking and asset management businesses, including operational as well as financial restructurings. Jassim Alseddiqi further commented: "While credit markets in the US and Europe have come back stronger than before, things might take a little longer in the region given the impact of lower oil prices and less developed capital markets, especially in the corporate debt space."

"Restructuring existing debt is only part of a wider restructuring exercise. There is almost always a need now for fresh capital. We typically underwrite and holds a portion of any capital raised. We like having skin in the game to show our clients and our investors and banking relationships that we stand behind the restructuring. We believe that it is not prudent to wait and watch but to take quick action, which is reflected in our strengthened service offering."

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About SHUAA Capital psc

SHUAA Capital psc (DFM: SHUAA) is a leading asset management and investment banking platform, with c. US\$14 billion in assets under management and with offices throughout the Middle East and the United Kingdom. SHUAA Capital psc is recognized for its strong track record and pioneering approach to investing through a differentiated, innovative and global product offering focused on public and private markets, debt and real estate.

The asset management segment, one of the region's largest, manages real estate funds and projects, investment portfolios and funds in the regional equities, fixed income and credit markets; it also provides investment solutions to clients, with a focus on alternative investment strategies. The investment banking segment, mandated to lead several sukuk issuances for a total of more **than US\$ 600 million during the past year and a half**, provides corporate finance advisory, transaction services, private placement, public offerings of equity and debt securities, and structured products, while also creating market liquidity on OTC fixed income products. The firm is regulated as a financial investment company by the Emirates Securities and Commodities Authority.

To learn more about SHUAA Capital, please visit:

- Website: www.shuaa.com
- Twitter: https://twitter.com/SHUAA_Capital
- LinkedIn: <https://www.linkedin.com/company/shuaa-capital>

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This document contains forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Forward-looking statements can be identified by words such as: "anticipate," "aspire," "intend," "plan," "goal," "objective," "seek," "believe," "project," "estimate," "expect," "forecast," "strategy," "target," "trend," "future," "likely," "may," "should," "will" and similar references to future periods.

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