

SHUAA Capital – Q1 2021 Earnings Call – DFM Brief

SHUAA Capital psc's ("SHUAA") Q1 2021 Earnings Call was held on Monday 10th May 2021 at 3:30pm and was presented by members of SHUAA Capital's senior management:

- **Jassim Alseddiqi**, Chief Executive Officer
- **Joachim Mueller**, Chief Financial and Risk Officer

During the call, SHUAA's Q1 2021 financial performance was reviewed. An update on SHUAA's strategic agenda, integration progress and several key growth initiatives, particularly with regards to SHUAA's recent activity was also provided.

Attendees were encouraged to go to the investor relations section of SHUAA's website (www.shuuaa.com), where the presentation material and financial statements which were discussed during the call are available.

Summary of the Presentation

The below is a summary of the key points discussed throughout the presentation and provides an overview of the slides that were discussed and included in the presentation.

Fourth consecutive quarter of profitability driven by stable revenue streams

- Net profit attributable to shareholders at AED 25 million for Q1 2021, representing fourth consecutive quarter of profitability despite a continued challenging environment with record performance in Asset Management
- EBITDA of AED 75 million for Q1 2021 vs AED (202) million in Q1 2020 which was affected by COVID related impacts
- Revenues at AED 102 million for Q1 2021 vs. AED 72 million in Q1 2020 driven by recurring business trending above average of last four quarters. Cost discipline maintained with cost-income ratio of 55% as at Q1 2021 in line with medium-term target
- AuM at USD 13.9 billion slightly below Q4 2020 mainly due to exit of a low margin mandate; continued progress on building out new funds
- Non-core unit (NCU) assets down at AED 138 million at Q1 2021 vs AED 306 million at end 2019
- Total assets of AED 6.2 billion as at Q1 2021 up from AED 6.0 billion as of FY 2020

Moving from integration to transformation

- All critical system, process and governance integration work completed
- Legacy assets within NCU on target to be closed with net assets at AED 138 million in Q1 2021 vs AED 306 million at end 2019
- Continued momentum in building up permanent capital vehicles with 3 new funds in the pipeline in Asset Management, a refreshed Real Estate value proposition in progress and a dedicated Debt sub segment established
- Turnaround underway in Investment Banking following hiring across the business, executing landmark transactions and generating increasingly strong and high-quality advisory pipeline
- Strong investments in people across the platform with >30 hires in progress to support scale, breadth and quality of activities in line with growth ambitions

After the conclusion of the presentation, the call was opened to analysts to ask questions directly to senior management there were, however, no questions asked.

Cautionary Statement Regarding Forward-Looking Information:

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.

Examples of forward-looking statements include, among others, statements we make regarding:

- Expected operating results, such as revenue growth and earnings.
- Anticipated levels of expenditures and uses of capital
- Current or future volatility in the capital and credit markets and future market conditions.

Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: Our ability to maintain adequate revenue levels and cost control; economic and financial conditions in the global markets and regional markets in which we operate, including volatility in interest rates, commodity and equity prices and the value of assets; the implementation of our strategic initiatives, including our ability to effectively manage the redeployment of our balance sheet and the expansion of our strategic businesses; the reliability of our risk management policies, procedures and methods; continued volatility in the capital or credit markets; geopolitical events; developments and changes in laws and regulations, including increased regulation of the financial services industry through legislative action and revised rules and standards applied by our regulators.

Any forward-looking statement made by us in this document and presentation is based only on information currently available to us and speaks only as of the date on which it is made. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. We undertake no obligation to publicly update any forward-looking statement whether as a result of new information, future developments or otherwise.

Please remember that past performance may not be indicative of future results.