



SHUAA Capital – Q2 2021 Earnings Call – DFM Brief

SHUAA Capital psc's ("SHUAA") Q2 2021 Earnings Call was held on Sunday 15th August 2021 at 5:00pm and was presented by a member of SHUAA Capital's senior management:

- **Joachim Mueller**, Chief Financial and Risk Officer

During the call, SHUAA's Q2 2021 financial performance was reviewed. An update on SHUAA's strategic agenda 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.shuua.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.

Continued business momentum across platform with record H1 2021 performance

- Q2 2021 net profit attributable to shareholders of AED 29 million and operating profit of AED 57 million, up 17% and 28% quarter-on-quarter with all segments profitable and despite impairments and charges relating to non-core assets
- On the H1 2021 period, the Group recorded its highest first half year net profit in a decade of AED 54 million, up significantly from AED 5 million in H1 2020 which was negatively impacted by COVID-19
- Strong Q2 2021 EBITDA generation at AED 79 million, up 5% quarter-on-quarter. On H1 2020 vs. H1 2021 period, EBITDA is up 23%, which further demonstrates the continued positive trend in SHUAA's earnings capacity
- Q2 2021 revenues of AED 140 million, up 37% quarter-on-quarter driven by dividends in flagship fund; cost discipline maintained despite planned increase in headcount, with cost-income ratio relatively flat at 58% as at Q2 2021 in line with target
- AuM at USD 13.6 billion slightly below Q1 2021 mainly due to annual revaluation of a UK real estate portfolio, slight decrease in client AuA¹ and several exits in our non-core unit (NCU); positive net new money trends in new permanent capital vehicles

We are serious about performance and growth

- **We hire:** More than 30 hires year-to-date across platform and ramp up of unique sales team underpin confidence in growth ambition and market opportunity
- **We invest in game changers:** Continued focus on technology investments including the launch of a digital wealth fintech and select technology investments
- **We deliver value:** Strong Q2 performance in flagship fund and newly established permanent capital vehicles; strong and high-quality advisory pipeline
- **We focus on core:** NCU assets down 17% in Q2 vs Q1 2021 and 72% since inception; on target to close unit in Q3 2021
- **We build scale:** Largest Asset Manager in UAE; largest listed Asset Manager in the Middle East²

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.

¹ Assets under Administration

² Forbes Middle East: The Middle East's 30 Biggest Asset Managers 2021

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.