

SHUAA Capital Net Profit before one-off impairments reaches record high of AED 229 million, and Net Profit after impairments AED 40 million

United Arab Emirates, 14 February 2022: SHUAA Capital psc (DFM: SHUAA), the leading asset management and investment banking platform in the region, has announced its preliminary financial results for fiscal year 2021. The Group achieved a net profit of AED 40 million in FY 2021, down 68% year on year from AED 125 million in 2020. The result included one-off charges of net AED 189 million mainly relating to valuation impairments following the decision to accelerate the restructuring of a legacy, illiquid investment portfolio. SHUAA's net profit on a like for like basis would have been AED 229 million in 2021. Similarly, EBITDA declined from AED 350 million in FY 2020 to AED 233 million in 2021 and stood at AED 422 million adjusted for net one-off items.

Operating income continues to show progress towards high quality revenues: At AED 394 million, operating income is up 11% year on year in 2021, once adjusted for the one-time effect from a single transaction of AED 183 million in 2020. Net fee and commission income increased by 21% year on year to AED 265 million in 2021. Expenses have remained under control with operating expenses up 6% year on year at AED 315 million, as a result of targeted strategic hiring across the business.

Continued focus on strengthening balance sheet

SHUAA continues to take proactive measures to strengthen its balance sheet. The Group has now almost completely worked out its non-core assets unit which was set-up after the merger with Abu Dhabi Financial Group in August 2019. In addition, the strong underlying result of 2021 allowed it to proactively restructure an illiquid legacy portfolio and absorb the one-off charges in this year. These measures will not only protect future earnings of the Group but also help enhance the focus on key growth areas and align investments with strengthened risk limit and capital allocation criteria.

Preparing for a transformative future with focus on core capabilities

During the year, SHUAA continued to develop and significantly expand its capabilities and strengthen its client offering. This included hiring new world-class teams for real estate investment and client coverage, driving a 33% increase in core headcount.

In Real Estate, the appointment of the new CEO of Real Estate will further expand the Group's presence in different geographies. SHUAA continued to build on its successful

investment strategy in the UK property market, with plans to deliver GBP 2 billion worth of property projects in London through its wholly owned subsidiary Northacre. Work is continuing at No.1 Palace Street and The Broadway, with both development projects due to complete during the second quarter of 2022. In addition, the Group will hand back a USD 6.5 billion portfolio to its owners at the beginning of 2023, following a highly successful period of creating value across the assets.

In Asset Management, the Group was active in the public markets through its flagship Goldilocks fund. The fund continued to leverage its strong balance sheet and improved liquidity to identify investment opportunities focused on high intrinsic value and company-specific turnarounds.

SHUAA led, invested in, and concluded transactions worth more than USD 500 million in 2021. These included the debt buyout of Stanford Marine Group (SMG) for AED 1.13 billion (USD 308 million), which secured 1,800 jobs and millions of dollars in vessel exports.

In Q4 2021, SHUAA's managed funds invested in the CHF 32 million (USD 34.8 million) Series C funding round by SkyCell, the Swiss pharma-tech supply chain company.

The Debt business continued to perform well. Following the launch of SHUAA's debt vertical in 2020, the team successfully structured and invested in the USD 50 million sukuk issuance of Pure Harvest, the first Islamic venture financing Debt capital market deal in the GCC.

Increasing investor appetite for technology opportunities coupled with global records across venture investment activity is ensuring a very strong pipeline for venture debt opportunities in 2022.

The Group's Investment Banking division advised clients on a range of capital raising mandates, including investments in SPACs, highlighting SHUAA's unique capabilities in structuring financing solutions that meet both business objectives and growing investor demand.

SHUAA led a funding round for Anghami and subsequently invested and advised Anghami on its merger with NASDAQ-listed special purpose acquisition company (SPAC) Vistas Media Acquisition Company Inc. and arranged USD 30 million investment via private investment in public equity (PIPE). SHUAA's experience and investment capabilities enabled Anghami to successfully list on NASDAQ in New York under the ticker symbol "ANGH" on February 4, 2022.

Commenting on SHUAA's 2021 preliminary results, **Jassim Alseddiqi, Group Chief Executive Officer of SHUAA Capital**, said: "I am very pleased with the progress made during the year. As we draw an end to cleaning up legacy and non-core investments and portfolios, our focus is now solely on driving revenues and shareholder returns whilst maintaining a strict discipline on costs. We remain confident about the numerous and long-term opportunities for our business. And we are excited about finding new ways to grow our business and differentiate our offerings. I am optimistic that with our enhanced team and capabilities and new offering, SHUAA is now poised to deliver accelerated growth."

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About SHUAA Capital psc

SHUAA Capital psc (DFM: SHUAA) is a leading asset management and investment banking platform, with c. USD 13 billion in assets under management. 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 provides corporate finance advisory, transaction services, private placement, public offerings of equity and debt securities, while also creating market liquidity on OTC fixed income products. The firm is regulated as a financial investment company by the 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.

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.*

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