

SHUAA Capital reports strong underlying profitability for first quarter 2022

- First quarter profit of AED 6 million post accelerated write-down of intangible assets of AED 31 million
- Excluding the above effect, net profit would have been AED 37 million and EBITDA of AED 83 million, achieving growth of 46% and 12% respectively compared to Q1 2021
- Commitment to business entrepreneurship demonstrated through the successful launch of SHUAA SPAC in March 2022

United Arab Emirates, 11 May 2022: SHUAA Capital psc (DFM: SHUAA), the leading asset management and investment banking platform in the region, has announced its Q1 2022 financial results. Net profit of SHUAA and its subsidiaries (the "Group") in Q1 2022 was AED 6 million, compared to AED 25 million in Q1 2021. Excluding the effects of the intangible asset write-down, net profit on a like for like basis would have been increased at AED 37 million and EBITDA generated of AED 83 million, up from AED 75 million in Q1 2021 and up from EBITDA of negative AED 18 million in Q4 2021. The result reflects a continued strong performance of the Group's core revenues.

Further deleveraging of the balance sheet

In 2021 the Group closed its non-core unit and transferred its residual assets to Principal Investments to be managed together with the other assets within the Group. During the quarter, the Group continued to proactively seek to wind down these items with a number of smaller disposals either completed, in progress or in the pipeline. The Group's leverage ratio continues to decline with adjusted debt AED 212 million lower than twelve months ago. Reported debt to equity ratio declined by a net 22% points to 112% during the quarter which makes it the lowest ratio since 2019.

Strengthening our offering and delivering for clients

Following on from the progress in building out the business in 2021, the Group has announced various new opportunities during 2022.

- Within the Group's asset management segment, the debt vertical announced in March the launch of the largest regional venture debt fund, with SHUAA Venture Partners to provide alternative capital solutions to high growth companies across the GCC.
- The private markets vertical saw the acquisition of Allianz Marine and Services Holding Limited via the Thalassa managed fund, the second such acquisition in the offshore supply vessels space following the 2020 acquisition of Stanford Marine Group, also within the Thalassa managed fund. This has created the largest offshore support vessels (OSV) portfolio in the region and the fourth largest fleet in the world.
- The Investment Banking segment successfully raised a USD 100 million SPAC listed on NASDAQ to support the future listing of a high-quality Middle Eastern technology company, helping to expand

the Group's support for regional talent while providing clients with access to high-quality investment opportunities.

- The Group also announced in March a strategic investment in the UAE-based fintech Souqalmal; this investment supports SHUAA's strategy to expand its digital offerings, enhance personal finance and investment opportunities for consumers.

Outlook

While the Group continues to operate against a backdrop of global geopolitical uncertainty and heightened market volatility, management remains focused on delivering performance in its core business and identifying new opportunities for the Group. This will allow SHUAA to build on its market-leading position and deliver significant value creation for its investors and its shareholders.

Commenting on SHUAA's Q1 2022 results, [Jassim Alseddiqi, Group Chief Executive Officer of SHUAA Capital](#), said: "The business has successfully managed through the significant headwinds since the start of the year: the war in Ukraine and the associated geopolitical uncertainties, accelerated inflationary pressures and commodity price increases along with heightened market uncertainty and volatility. The strengths of our business model are the high degree of diversification and our ability to adapt quickly and take advantage of market opportunities whilst continuing to build on increasing our recurring revenues and strengthening our balance sheet. Against this backdrop, we acquired another vessels company within the Thalassa fund, launched SHUAA Venture Partners and successfully raised a USD 100 million SPAC during the quarter, demonstrating our ability to effectually execute in a challenging environment."

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About SHUAA Capital psc

[SHUAA Capital psc \(DFM: SHUAA\)](#) is a leading asset management and investment banking platform. 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.shuua.com
- Twitter: https://twitter.com/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.*
- *Ability to identify and merge with a target and access to capital markets.*
- *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.

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