



Earnings Presentation
Q1 2023

11 May 2023

Key Financial Highlights Q1 2023

Q1 2023 Financial Performance

Income Statement (AED Mn)	Q1 2023			Q4-22	
	Q1-23	Q4-22	% Change vs. Q4-22	Q1-22	% Change vs. Q1-22
Net Fee and Commission Revenue	54.5	54.2	0%	86.2	(37%)
Other Revenue	5.2	5.1	2%	4.6	15%
Total Revenues	59.7	59.3	1%	90.8	(34%)
Operating Expenses (excl. one-off items & carry expense)	(31.9)	(52.8)	(40)%	(73.1)	(56)%
Net Operating Income (excl. one-off items & carry expense)	27.8	6.6	324%	17.7	57%
One off items & Carry Expense	10.5	(5.2)	-	1.5	-
Net Operating Income/(Loss)	38.3	1.4	-	19.2	100%
Other Income/(Expenses)	(18.6)	(24.5)	(24)%	(67.1)	(72)%
Profit/(loss) from discontinued operations and Disposal of Subs	-	12.9	-	(0.7)	-
Non-Controlling Interests	(5.0)	19.4	-	54.3	-
Net Profit/(Loss) ¹	14.7	9.2	60%	5.6	162%
EBITDA ²	31.7	38.6	(18)%	42.7	(26)%
Key Metrics					
Operating Margin (%) excl. one-off items and carry expense	47%	11%	35%	20%	27%
CIR (%) excl. one-off items and carry expense	53%	89%	(35)%	80%	(27)%

Commentary

Net Operating Income of AED 38 million underpinned by cost efficiencies and strong revenues in Q1 2023

- Q1 2023 net profit of AED 15 million compared to AED 6 million of net profit in Q1 2022.
- Cost to income ratio at 53% in Q1 2023 significantly lower than Q4 2022 due to stable revenues and cost efficiencies
- Improved operating margins for the business in Q1 2023 driven by cost efficiencies.

Balance Sheet (AED Mn)	Q1-23			Q4-22	
	Q1-23	Q4-22	% Change vs. Q4-22	Q1-22	% Change vs. Q1-22
Total Assets	3,465	3,476	(0)%	5,240	(34)%
Total Debt	1,582	1,594	(1)%	1,941	(19)%
Total Equity	1,545	1,520	2%	1,707	(9)%
Key Metrics					
Debt to Equity	1.02x	1.05x	(2)%	1.12x	(9)%
Return on Equity - Parent	5%	(3)%	7%	2%	3%

Balance sheet metrics on upward trajectory

- Continued disciplined approach to deleveraging with debt-to-equity ratio at 102% in Q1 2023 compared to 105% in Q4 2022

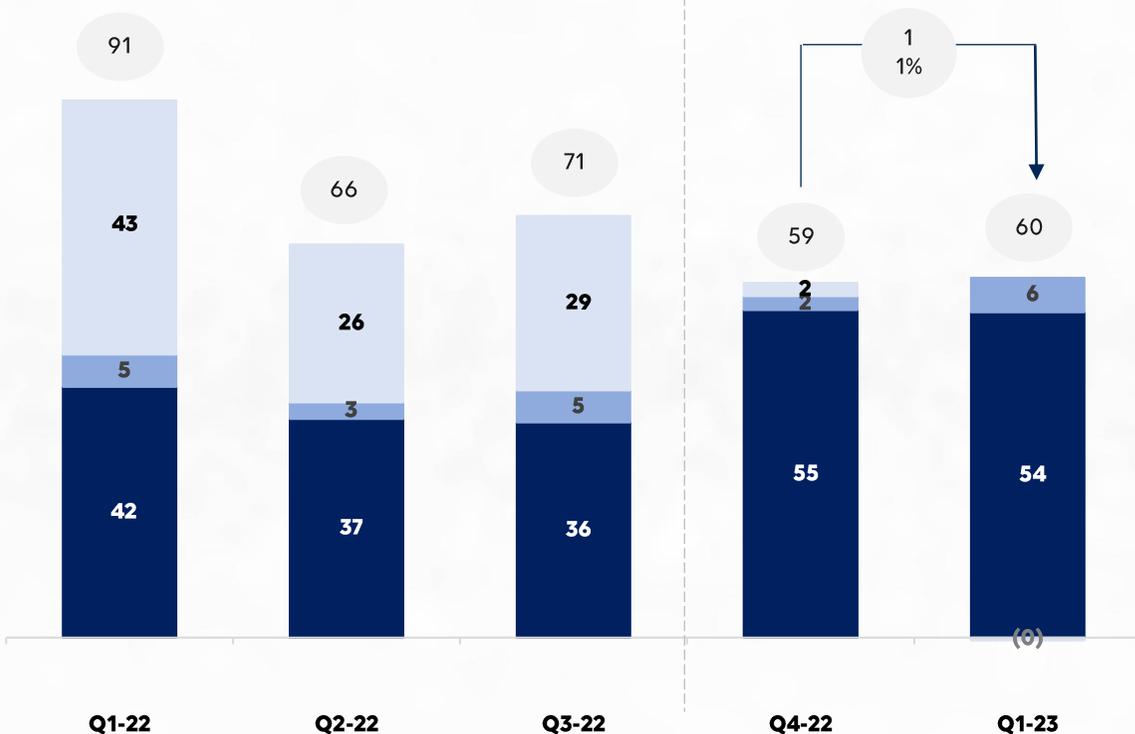
¹ Net Profit attributable to shareholders

² Excludes results for discontinued operations

Revenue Breakdown

Quarter-on-Quarter Revenues

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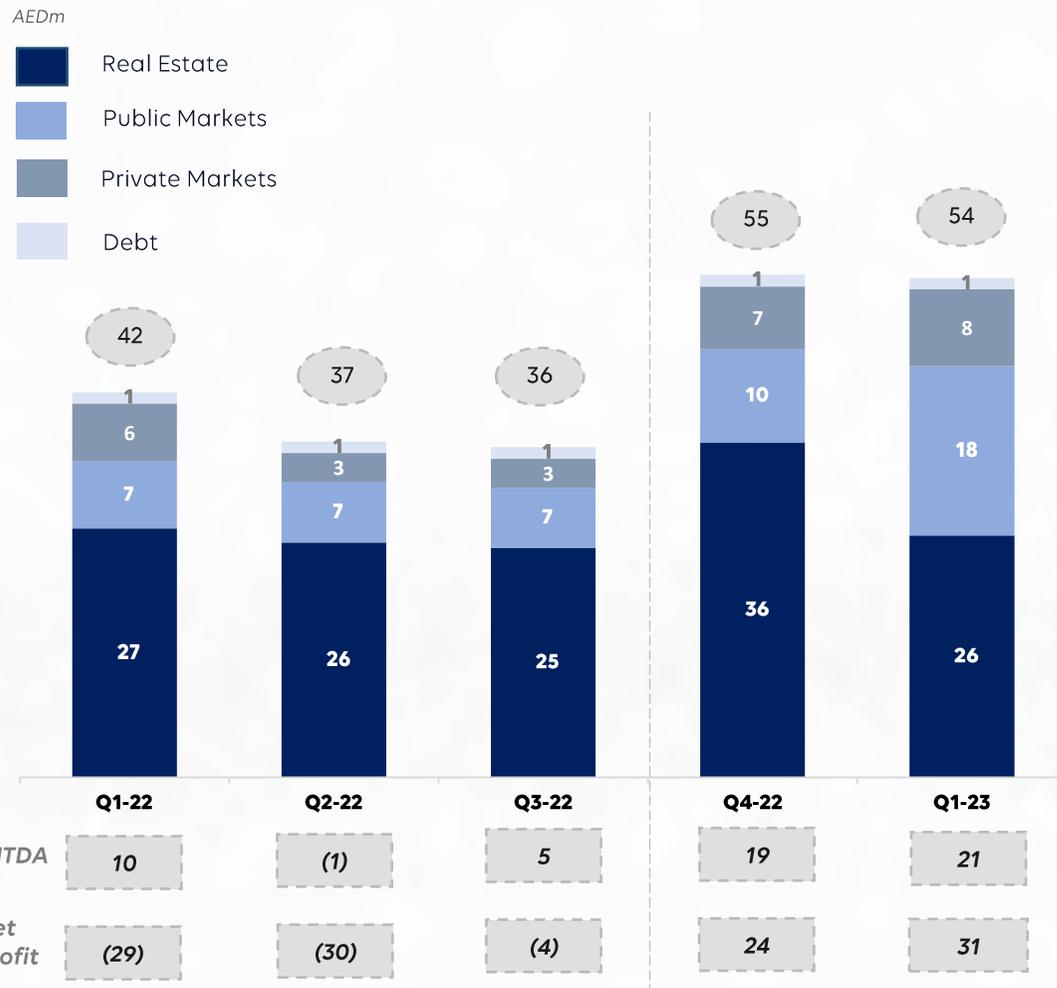
Commentary

Normalizing recurring revenues continue to contribute significantly coupled with strong momentum in the investment banking space

- Asset management continues to support recurring revenues and includes successful fund exit
- Investment banking revenues higher in Q1 2023 as a result of cyclical and a new deal mandate
- Decline in Corporate revenues as a result of disposing NCM and other non-core units

Asset Management Segment Performance

Asset Management Revenues



Commentary

Posting healthy Q1 2023 results driven by the contribution from recurring real estate revenues and successful fund exit coupled with resilient fee performance from managed public & private market funds

Real Estate:

- Continued contribution from recurring revenue and management fees
- Successful exit of BBD Fund

Public Markets:

- Robust fee performance in managed funds

Private Markets:

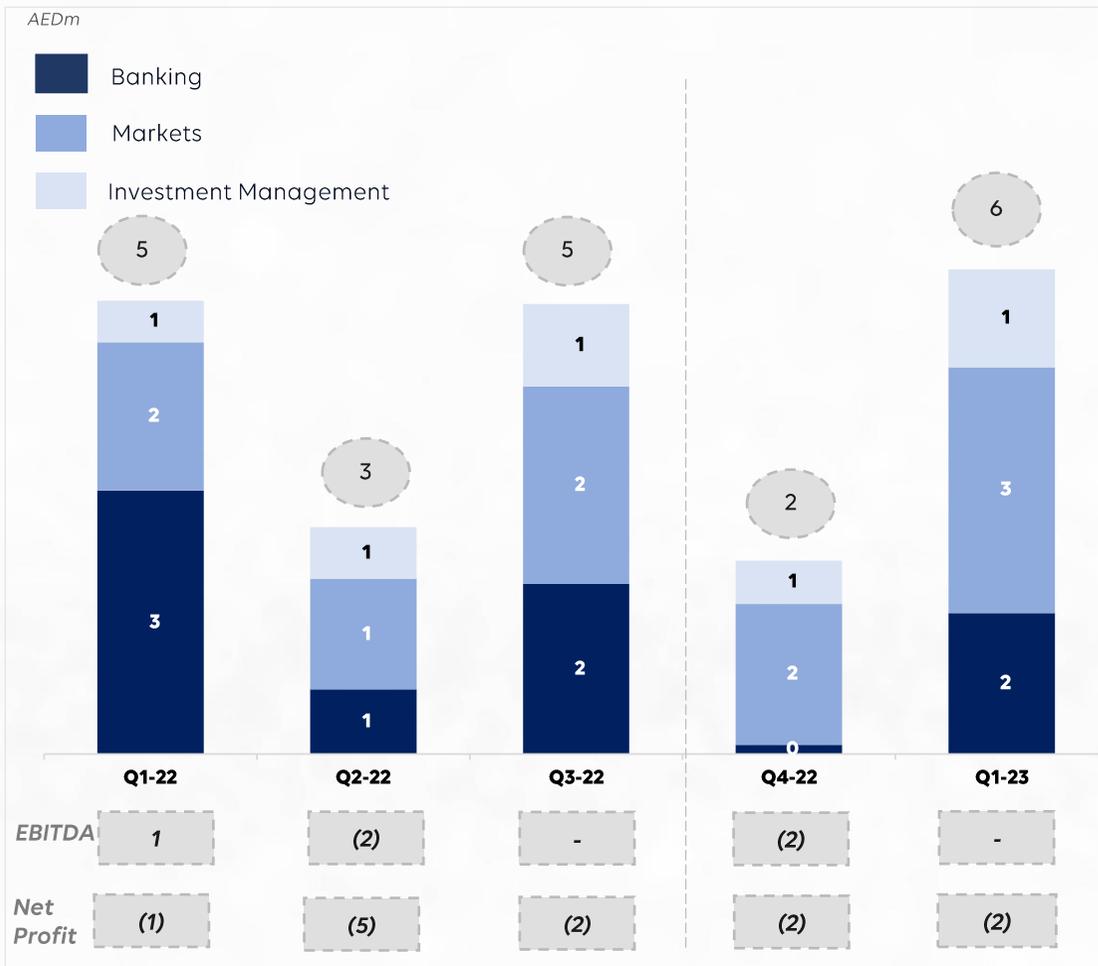
- Resilient recurring management fee revenues

Debt:

- Stable recurring management fee revenues

Investment Banking Segment Performance

Investment Banking Revenues



Commentary

Investment banking delivers strong performance driven by improved trading & advisory income

Banking:

- Stable revenues as a result of cyclicity and timing of deal closures

Markets:

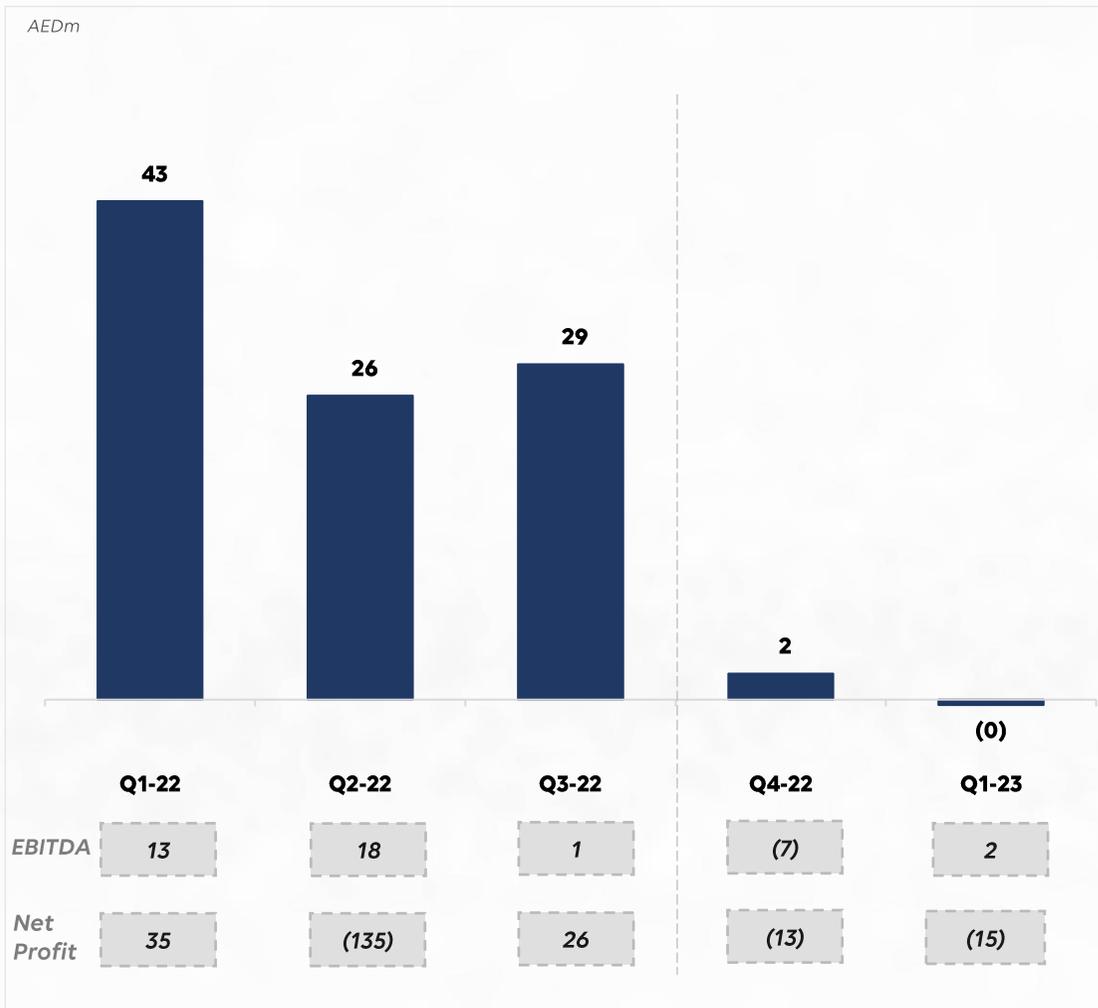
- Trading income consistent in Q1 2023

Investment Management:

- Fee income remains stable

Corporate Segment Performance

Corporate Revenues



Commentary

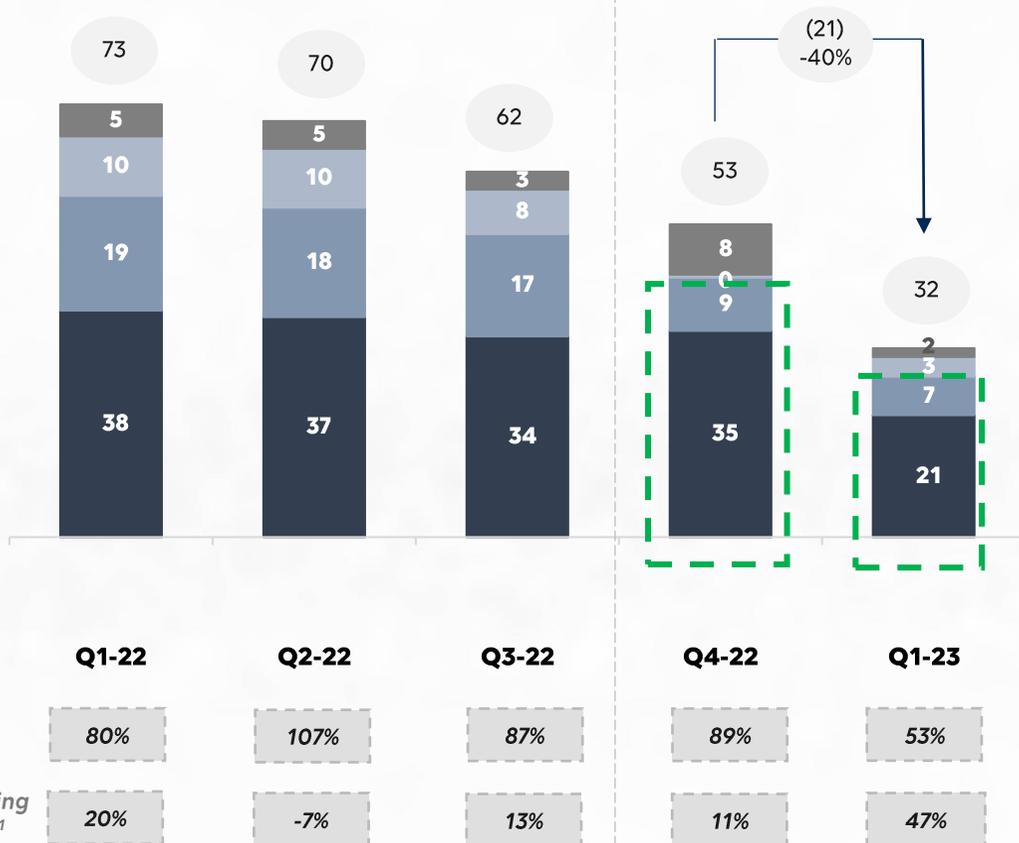
Robust corporate revenues amidst prolonged market volatility

- Lower corporate revenues reported in Q1 2023 post NCM transaction
- Declining performance in Group's run-off businesses

Operating Expense Breakdown

Quarter-on-Quarter Expenses¹

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	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23
CIR ¹	80%	107%	87%	89%	53%
Operating Margin ¹	20%	-7%	13%	11%	47%

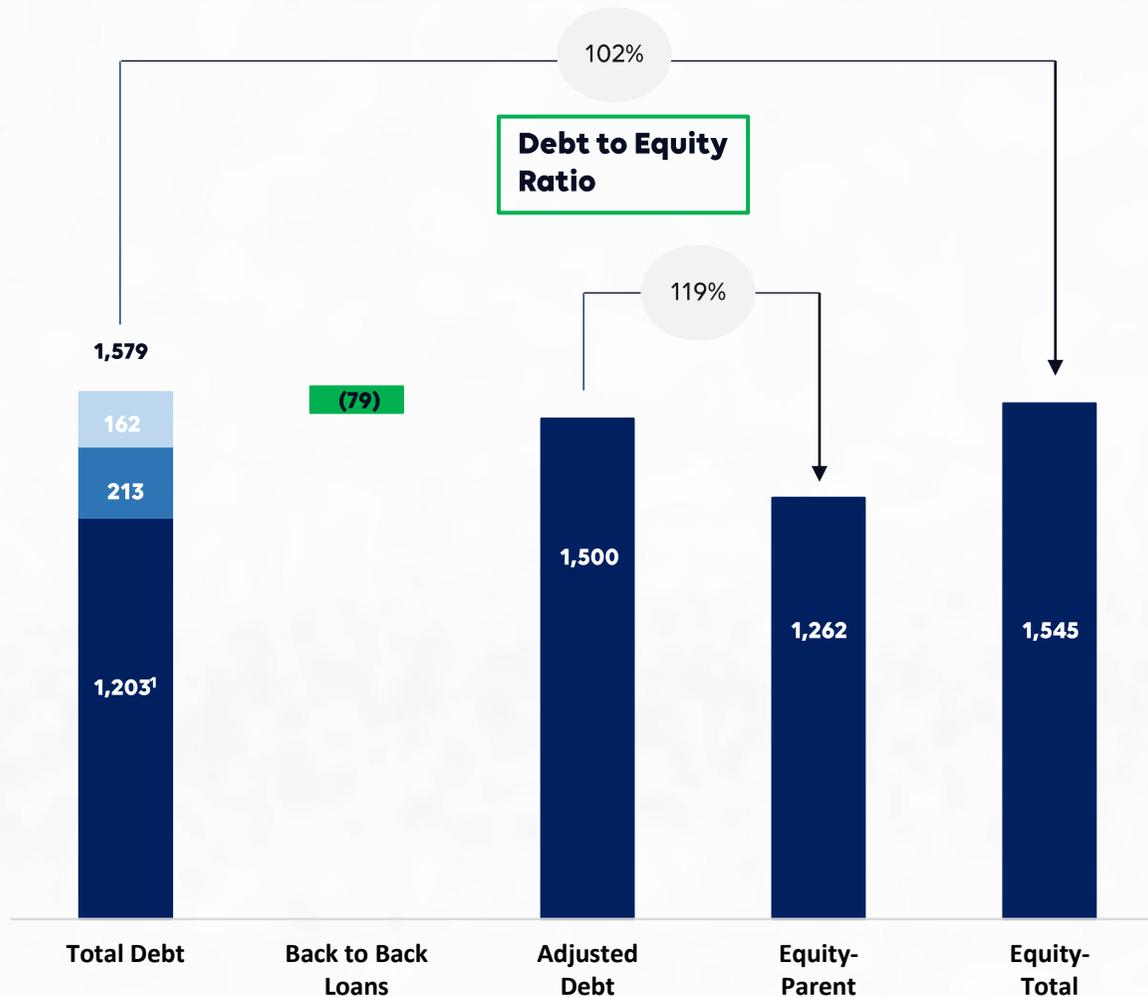
Commentary

Firm cost discipline maintained across the Group in Q1 2023

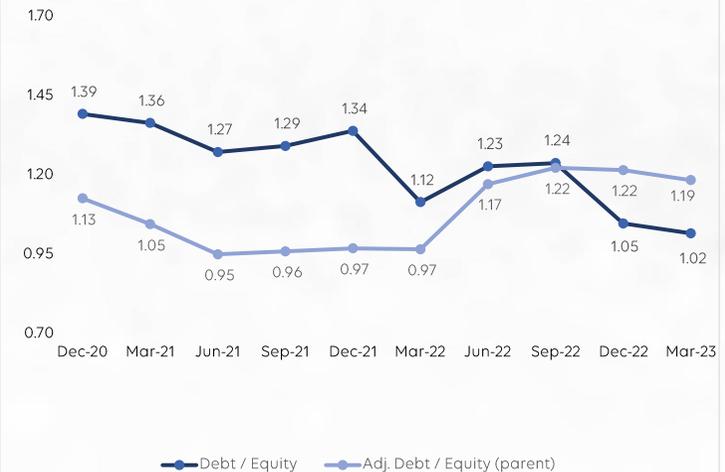
- Controllable costs including staff costs and G&A have decreased in Q1 2023 as a result of optimization initiatives from 2022
- Cost-income ratio of 53% in Q1 2023 significantly improved since Q1 2022

Continued progress on deleveraging

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- Continued disciplined approach to deleveraging with debt-to-equity ratio at 102% in Q1 2023.
- Balance sheet metrics expected to improve in 2023 driven by higher profitability and further improvement in debt load as per the strategy to continue to deleverage.
- Average interest costs increased by ~100 bps to 7.35% p.a. in Q1 2023 compared to Q1 2022 mainly due to increase in EIBOR rates.





Appendix

Quarterly P&L

AED '000	Q1 2023	FY 2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022	FY 2021	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Revenue	59,720	286,438	59,345	70,561	65,779	90,753	319,462	80,691	70,858	71,530	96,383
Other income/(expense)	(6,683)	160,885	(7,813)	19,994	36,909	111,795	31,272	6,443	3,587	9,395	11,847
Net foreign exchange gain/(loss)	(3,107)	25,650	(12,922)	15,607	16,085	6,879	5,900	2,487	4,027	240	(853)
Change in fair value gains/(losses) from financial assets at FVTPL	13,218	(128,132)	(6,674)	1,545	(38,123)	(84,881)	37,105	29,850	5,083	1,990	182
Share of net profit/(loss) of investments in associates	(8,201)	156,864	36,562	116,488	1,702	2,112	(157,062)	(161,778)	4,716	13,096	(13,096)
Gain on derivative financial liability	(71)	1,884	90	357	509	928	2,590	683	664	622	621
Total income	54,877	503,588	68,589	224,553	82,860	127,586	239,268	(41,625)	88,936	96,873	95,084
Staff costs	(7,277)	(144,076)	(34,817)	(33,891)	(37,131)	(38,237)	(148,182)	(59,006)	(30,176)	(29,933)	(29,067)
Employee carried interest	(3,082)	(5,542)	(191)	0	(5,126)	(225)	(10,426)	(6,859)	(1,034)	(1,146)	(1,387)
Fee and commission expense	(1,150)	(20,699)	(8,334)	(2,494)	(4,581)	(5,290)	0	0	0	0	0
General and administrative expenses	(6,522)	(64,194)	(9,028)	(17,284)	(18,478)	(19,404)	(75,993)	(18,106)	(14,400)	(23,374)	(20,114)
Depreciation and amortisation	(3,272)	(27,911)	(467)	(7,506)	(9,945)	(9,993)	(45,893)	(11,388)	(11,735)	(11,340)	(11,430)
Provision for impairment losses on financial instruments	(144)	(12,204)	(5,143)	(496)	(8,135)	1,570	(11,020)	(18,424)	(70)	(351)	7,825
Total expenses	(21,448)	(274,626)	(57,981)	(61,669)	(83,397)	(71,579)	(291,514)	(113,783)	(57,415)	(66,144)	(54,173)
Profit/(loss) before finance costs	33,429	228,962	10,607	162,884	(537)	56,007	(52,246)	(155,407)	31,521	30,729	40,911
Finance cost	(13,755)	(109,671)	(31,068)	(26,739)	(24,792)	(27,072)	(92,992)	(22,715)	(23,016)	(22,596)	(24,664)
Finance credit relating to unit holders	0	16,410	0	(860)	(1,120)	18,390	(2,133)	(3,176)	419	(1,191)	1,815
Other items	(9)	(125,602)	(2,690)	(1,042)	(26,582)	(95,289)	(2,704)	(714)	(469)	(1,293)	(228)
Profit/(loss) from continuing operations	19,665	10,099	(23,150)	134,243	(53,031)	(47,964)	(150,076)	(182,013)	8,455	5,649	17,834
<i>(Loss)/profit from discontinued operations</i>	0	(132,596)	12,931	(53,963)	(90,885)	(680)	217,795	145,373	30,117	33,950	8,355
Profit/(loss) for the period	19,665	(122,497)	(10,219)	80,280	(143,915)	(48,644)	67,719	(36,640)	38,572	39,599	26,188
Non-controlling interests	(4,952)	(12,706)	19,394	(60,350)	(26,011)	54,261	(46,696)	(28,894)	(3,666)	(10,306)	(3,831)
Profit/(loss) for the period attributable to Owners	14,713	(135,204)	9,175	19,931	(169,927)	5,617	21,023	(65,535)	34,906	29,294	22,358

Balance Sheet Summary

AED '000

	31-Mar 2023	31-Dec 2022	30-Sep 2022	30-Jun 2022	31-Mar 2022	31-Dec 2021	30-Sep 2021	30-Jun 2021	31-Mar 2021	31-Dec 2020
Assets										
Cash and deposits with banks	98,275	64,151	107,907	252,983	348,586	460,648	391,614	321,196	353,566	416,975
Receivables and other debit balances	437,398	407,061	397,757	201,808	234,801	351,041	239,347	251,321	244,833	214,292
Loans, advances and finance leases	388,118	274,503	470,329	373,053	383,531	236,266	283,884	284,644	334,850	346,232
Financial assets at fair value	687,624	668,602	674,474	724,940	764,559	3,113,590	2,814,614	2,731,275	2,564,856	2,428,999
Investments in associates	871,623	947,599	952,165	26,087	142,739	354,036	412,149	407,432	402,642	434,312
Investment Property	-	-	236,660	236,660	-	-	-	-	-	-
Property and equipment	21,168	25,693	5,660	20,604	35,624	34,362	43,149	47,365	48,338	42,762
Goodwill and other intangible assets	910,728	902,234	870,356	1,022,124	1,095,589	1,212,014	1,214,157	1,235,753	1,242,414	1,241,797
Assets of disposal groups classified as held for sale	50,488	186,130	50,488	2,098,555	2,234,137	5,930	733,092	754,052	982,124	922,943
Total Assets	3,465,422	3,475,973	3,765,796	4,956,814	5,239,566	5,767,887	6,132,006	6,033,038	6,173,623	6,048,312
Liabilities										
Borrowings	1,259,870	1,206,206	1,497,008	1,490,763	1,474,920	1,985,419	2,101,310	2,099,713	2,323,399	2,395,701
Payables and other credit balances	469,014	488,469	505,744	555,894	658,105	802,092	586,744	536,424	542,930	511,160
Other financial liabilities	162,437	163,808	167,528	141,809	130,077	148,267	156,674	150,111	147,646	149,983
Payables to unit holders	29,290	29,290	29,290	28,430	27,308	986,046	761,629	719,126	605,999	578,757
Liabilities of disposal groups classified as held for sale	0	68,019	-	1,178,190	1,242,589	-	488,741	502,611	546,501	386,534
Total Liabilities	1,920,611	1,955,792	2,199,570	3,395,087	3,532,999	3,921,824	4,095,098	4,007,985	4,166,475	4,022,135
Equity										
Share capital	2,535,720	2,535,720	2,535,720	2,535,720	2,535,720	2,535,720	2,535,720	2,535,720	2,535,720	2,535,720
Share premium	52,579	52,579	52,579	52,579	52,579	52,579	47,207	52,579	52,579	52,579
Statutory reserve	49,631	49,631	49,631	49,631	49,631	49,631	52,579	47,207	47,207	47,207
Other reserves	(1,464,024)	(1,467,476)	(1,486,227)	(1,451,223)	(1,430,841)	(1,424,452)	(1,401,290)	(1,387,378)	(1,442,610)	(1,439,146)
Retained earnings	87,804	76,579	67,416	60,899	235,521	240,479	320,906	280,548	327,525	293,727
Equity attributable to Owners	1,261,710	1,247,033	1,219,119	1,247,605	1,442,610	1,453,957	1,555,122	1,528,676	1,520,421	1,490,087
Non controlling interest	283,101	273,148	347,107	314,122	263,957	392,105	481,786	496,377	486,727	536,090
Total equity	1,544,811	1,520,181	1,566,226	1,561,727	1,706,567	1,846,063	2,036,908	2,025,053	2,007,148	2,026,177
Total Equity and Liabilities	3,465,422	3,475,973	3,765,796	4,956,814	5,239,566	5,767,887	6,132,006	6,033,038	6,173,623	6,048,312

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