

## SHUAA Capital reports strong profitability for the first quarter of 2023

United Arab Emirates, 10 May 2023: SHUAA Capital psc (DFM: SHUAA), the leading asset management and investment banking platform in the region, has announced its Q1 2023 financial results. Net profit attributable to shareholders was AED 15 million, up 60% compared to Q4 2022.

### Group financial highlights

Income Statement	Q1 2023	Q4 2022	% QoQ
<b>Revenues</b>	<b>AED 59.7m</b>	<b>AED 59.3m</b>	<b>+1%</b> ▲
<b>Expenses</b>	<b>(AED 31.9m)</b>	<b>(AED 52.8m)</b>	<b>(40%)</b> ▲
<b>Net Profit</b>	<b>AED 14.7m</b>	<b>AED 9.2m</b>	<b>+60%</b> ▲

Key metrics	Q1 2023	Q4 2022	% QoQ
<b>Cost-Income Ratio</b>	<b>53%</b>	<b>89%</b>	<b>(36%)</b> ▲
<b>Leverage Ratio</b>	<b>1.02</b>	<b>1.05</b>	<b>(3%)</b> ▲

### Key financial review

- **Total revenues of AED 60 million** in Q1 2023 driven by recurring revenue generation across all segments
- **Cost to income ratio at 53%** in Q1 2023, significantly lower than 89% in Q4 2022 due to stable revenue base and firm cost discipline
- **AED 15 million net profit** driven by the outperformance from real estate business, resilient fee performance from managed funds and robust trading and advisory fees
- **Balance sheet metrics continue improvements** with disciplined approach to simplification of balance sheet and deleveraging debt liabilities
- **Deleveraging to continue in 2023**, with a further AED 400 million of debt reduction identified this year

### Segmental review

- **Asset Management**, which encompasses investments funds and managed accounts across real estate, public and private markets and debt, reported first quarter revenues of AED 54 million in management and performance fees, up +30% since Q1 2022
- **Investment Banking**, which provides corporate finance advisory, equity and debt capital markets, M&A, sales and trading, recorded an upward trend in revenues of AED 6 million (+7% compared to Q1 2022) with higher growth in trading revenue offsetting lower advisory fees as no

significant transactions were closed during the period

- **Corporate**, which manages principal investments, treasury and other shared

services, reported no material revenues (Vs. AED 43 million in Q1 2022) following asset disposals and deconsolidation

### Delivering on our strategic priorities

SHUAA's mission is to create sustainable value for clients, employees and shareholders by engineering innovative investment solutions and differentiated product offerings for institutional clients and high-net-worth individuals. The move towards simplifying our balance sheet has reduced volatility of earnings and allows the team to deliver on recurring revenues and shareholder returns.

"Our first quarter results demonstrate continued progress against SHUAA's focused strategy to deconsolidate and diversify while delivering strong operating income and sustainable returns to our investors and shareholders," said **Fawad Tariq Khan, Group Chief Executive Officer of SHUAA Capital**. "We continue to remain resilient and look forward to providing our clients with unparalleled investment offerings at accretive returns. SHUAA's long track record of delivering best-in-class services speaks for itself, and we will continue to exceed expectations as we pursue new opportunities and expand our horizons."

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#### Press Contacts

SHUAA Capital psc  
Hani El Abid  
Head of Marketing and Communications  
Tel: +971 4 3199 723  
Email: [helabid@shuuaa.com](mailto:helabid@shuuaa.com)  
[www.shuuaa.com](http://www.shuuaa.com)

ASDA'A BCW  
Omar Nasro  
Account Director  
Tel: +971 4 450 7600  
Email: [omar.nasro@bcw-global.com](mailto:omar.nasro@bcw-global.com)  
[www.asdaa-bcw.com](http://www.asdaa-bcw.com)

#### 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 offers 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](http://www.shuaa.com)
- Twitter: [https://twitter.com/SHUAA\\_Capital](https://twitter.com/SHUAA_Capital)
- LinkedIn: <https://www.linkedin.com/company/shuaa-capital>
- Facebook: <https://www.facebook.com/SHUAA.Capital.psc>

#### 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.*
- *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.*

*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.*