Disclosure of a Transaction with a Related Party

Date	18 March 2025
Name of the Listed Company	SHUAA Capital psc ("**SHUAA**")
Name of the related party	GFH Financial Group BSC ("**GFH**")
The percentage of the deal or the transaction from the company's capital	3.08 %
Nature of the deal	Exchange of notes issued by Shuaa Capital Bond 1 and guaranteed by SHUAA with mandatory convertible bonds ("**MCBs**") issued by SHUAA
Terms of the deal	SHUAA will issue mandatory convertible bonds to existing bondholders, including GFH who will receive mandatory convertible bonds with a total value of AED 78,301,372.5. These bonds will be mandatorily converted into new shares of SHUAA at a conversion price of AED 0.32 per share upon issuance, subject to obtaining the necessary regulatory approvals. The convertible bonds will bear no interest. The newly issued shares will be subject to a lock-up period of 14 months starting from the conversion date.
The nature and extent of the interest, advantage or benefit of the related party	Investment in MCBs that will immediately convert into shares of SHUAA, giving exposure to the significant upside that is expected from SHUAA debt restructuring and expected return to growth and profitability. This investment provides GFH with an equity stake in SHUAA, potential capital appreciation, and strategic alignment with SHUAA's long-term growth.

The nature and extent of the company's interest, advantage or benefit	The company's Board of Directors believes that the transaction is in the best interests of SHUAA and its shareholders. According to the valuation report issued by Kroll Advisory Ltd, this transaction plays a crucial role in enhancing SHUAA's financial position by facilitating the repayment of existing bonds, improving liquidity and ensuring capital inflows to support business stability and growth. The MCB issuance also strengthens SHUAA's structure and mitigates financial risks by securing long term strategic investors.
The name of the accredited assessor who evaluated the deal or the transaction:	Kroll Advisory Ltd

SHUAA Capital psc would like to confirm that the terms of the deal or the transaction with the related party (detailed above) are fair and reasonable and are in the interest of the company's shareholders.

Sincerely yours,

Islam Mahrous
Chief Compliance Officer

SHUAA CAPITAL P.S.C. EST. 1979