

SHUAA CAPITAL PSC and its Subsidiaries

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD FROM 1 JANUARY 2026 TO 31 MARCH 2026

SHUAA CAPITAL PSC and its subsidiaries

**Condensed consolidated interim financial information
for the three months ended 31 March 2026**

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Ref: BN/B3171/May 2026

Report on review of the condensed consolidated interim financial information

To,
The Shareholders,
SHUAA Capital PSC.

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of SHUAA Capital PSC (the "Company") and its subsidiaries (together the "Group") as at March 31, 2026, the related condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows and notes for the three month period then ended and other explanatory notes. Management is responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with applicable International Accounting Standard 34, "Interim Financial Reporting" ("IAS-34"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

The Group's investment in associates includes an investment in Eshraq Investments PJSC which is carried in the condensed consolidated interim financial information at AED 346 million (2025: AED 349 million). As at the date of this review report, the associate holds an investment in an open-ended fund (the "Fund") measured at fair value, amounting to AED 896 million as at March 31, 2026.

The auditors of the associate were unable to obtain sufficient appropriate audit evidence regarding the fair value of certain underlying investments included in the Fund amounting to AED 786 million. Consequently, they were unable to determine whether any adjustments were necessary to that amount.

Our review of the Group's investment in the associate is based on the financial information audited by the associate's auditors and we were unable to obtain sufficient appropriate review evidence to determine whether any adjustment to the Group's share of results and the carrying amount of the investment in the associate was necessary.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the "Basis for Qualified Conclusion" paragraph, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information do not present fairly, in all material respects, the financial position of the Group as at 31 March 2026, and its financial performance and its cash flows for the period then ended, in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*.

Emphasis of Matter

We draw attention to Note 2.2 to the condensed consolidated interim financial information, which indicates that as at March 31, 2026 the Group's borrowings aggregating AED 303 million including bilateral facilities ("Term Loan") aggregating AED 213 million due to a bank (Note 13) are repayable within the next twelve months from the date of these condensed consolidated interim financial information. A waiver in respect of certain default events under this facility was obtained from the bank in the year 2024 which was valid until December 21, 2025. Subsequent to year-end, the Group obtained an extension of the waiver until March 31, 2026; however, this extension has now expired, and no further extension has been granted until the date of as at the date of the condensed consolidated interim financial information.

Report on review of the condensed consolidated interim financial information (continued)

Emphasis of Matter (continued)

Further, as disclosed in Note 22, "Subsequent Events," to the condensed consolidated interim financial information, Group continued to engage in constructive discussions regarding a comprehensive restructuring and refinancing of the existing facility and as at the date of these consolidated interim financial information, the Group is still in discussion with the lender and is expected to be finalized before the second quarter of 2026. While no further formal extension of the waiver period has been granted beyond March 31, 2026, the bank has not issued a formal demand or acceleration notice in respect of the overdue amounts under the existing facility as at the date of these consolidated interim financial statements.

Our conclusion is not modified in respect of this matter.

For, Crowe Mak



Basil Naser
Partner
Registered Auditor Number: 5507
Dubai, United Arab Emirates
May 14, 2026



SHUAA CAPITAL PSC and its subsidiaries

Condensed consolidated interim statement of profit or loss for the three months ended 31

March 2026 (unaudited)

(Currency - Thousands of U.A.E. Dirhams)

Revenues		3 months to 31 March 2026 Unaudited	3 months to 31 March 2025 Unaudited
	Notes		
Management and performance fees		13,916	17,281
Advisory fees		-	7,346
Trading and custody		4,449	1,039
Others		-	11
Total revenues		18,365	25,677
Expenses			
General and administrative expenses		(21,495)	(23,583)
Depreciation and amortisation		(2,382)	(2,418)
Fee and commission expense		(2,207)	(1,479)
Total expenses		(26,084)	(27,480)
Operating loss		(7,719)	(1,803)
Finance cost		(2,323)	(9,838)
Net foreign exchange loss		(19)	-
Provision for impairment losses on financial assets		-	(2,991)
Net interest income/(expense)		6	(17)
Gain on mandatory convertible bonds	2.2	-	214,776
Other income	6	2,463	41,011
Change in fair value from financial assets at fair value through profit or loss (FVTPL)		6	(16,582)
Share of net loss of investments in associates accounted for using the equity method		(3,404)	(7,066)
Pre-tax (loss)/ income		(10,990)	217,490
Corporate tax income/(expense) for the period		1,117	(22,466)
Net (loss)/gain for the period after tax		(9,873)	195,024
Attributable to:			
Owners of the Parent		(9,658)	195,765
Non-controlling interests		(215)	(741)
		(9,873)	195,024
(Losses)/profit per share attributable to Owners (in AED)	16	(0.003)	0.05

The accompanying notes on pages 8 to 23 form an integral part of this condensed consolidated interim financial information.

SHUAA CAPITAL PSC and its subsidiaries

Condensed consolidated interim statement of comprehensive income for the three months ended 31 March 2026 (unaudited)

(Currency - Thousands of U.A.E. Dirhams)

		3 months to 31 March 2026 Unaudited	3 months to 31 March 2025 Unaudited
	<i>Notes</i>		
(Loss)/profit for the period		(9,873)	195,024
Other comprehensive (loss)/income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations	15	(387)	1,408
Other comprehensive (loss)/income for the period		(387)	1,408
Total comprehensive (loss)/income for the period		(10,260)	196,432
Attributable to:			
Owners of the Parent		(9,622)	196,312
Non-controlling interests		(638)	120
		(10,260)	196,432

The accompanying notes on pages 8 to 23 form an integral part of this condensed consolidated interim financial information.

SHUAA CAPITAL PSC and its subsidiaries


Condensed consolidated interim statement of financial position at 31 March 2026

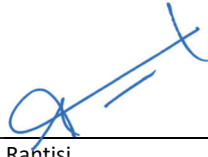
(unaudited)

(Currency - Thousands of U.A.E. Dirhams)

	Notes	31 March 2026 Unaudited	31 December 2025 Audited
Assets			
Cash and cash equivalents	7	107,667	50,104
Receivables and other debit balances	8	99,130	94,819
Loans, advances and finance leases	9	14,603	59,261
Financial assets at fair value	18.1	27,461	18,583
Investments in associates	10	346,400	349,804
Property and equipment		8,099	10,052
Goodwill and other intangible assets	11	535,632	536,060
		-----	-----
Total assets		1,138,992	1,118,683
		-----	-----
Liabilities			
Payables and other credit balances	12	186,236	157,841
Other financial liabilities		87,369	86,836
Borrowings	13	322,110	320,469
		-----	-----
Total liabilities		595,715	565,146
		-----	-----
Equity			
Share capital	14	3,659,023	3,659,023
Share premium		52,579	52,579
Statutory reserve		49,631	49,631
Other reserves	15	(2,234,595)	(2,234,631)
Accumulated losses		(955,365)	(945,707)
		-----	-----
Equity attributable to Owners		571,273	580,895
Non-controlling interests (NCI)		(27,996)	(27,358)
		-----	-----
Total equity		543,277	553,537
		-----	-----
Total equity and liabilities		1,138,992	1,118,683
		-----	-----

This condensed consolidated interim financial information was approved by the Board of Directors on 14 May 2026 and signed on their behalf by:


Hamda Eid AlMheiri
Vice Chairman


Nabil Al Rantisi
Group Chief Executive Officer

The accompanying notes on pages 8 to 23 form an integral part of this condensed consolidated interim financial information.

SHUAA CAPITAL PSC and its subsidiaries

Condensed consolidated interim statement of changes in equity for the three months ended 31 March 2026 (unaudited)

(Currency - Thousands of U.A.E. Dirhams)

	Share capital	Share premium	Statutory reserve	Other reserves	Retained earnings	Equity attributable to owners of the Parent	Non - controlling interests	Total
Balance at 1 January 2025 (Audited)	2,535,720	52,579	49,631	(1,475,534)	(1,127,752)	34,644	(19,673)	14,971
Profit/(loss) for the period	-	-	-	-	195,765	195,765	(741)	195,024
Other comprehensive income for the period	-	-	-	547	-	547	861	1,408
Total comprehensive income for the period	-	-	-	547	195,765	196,312	120	196,432
Mandatory convertible bond conversion	1,123,303	-	-	(763,846)	-	359,457	-	359,457
Balance at 31 March 2025 (Unaudited)	<u>3,659,023</u>	<u>52,579</u>	<u>49,631</u>	<u>(2,238,833)</u>	<u>(931,987)</u>	<u>590,413</u>	<u>(19,553)</u>	<u>570,860</u>
Balance at 1 January 2026 (Audited)	3,659,023	52,579	49,631	(2,234,631)	(945,707)	580,895	(27,358)	553,537
Loss for the period	-	-	-	-	(9,658)	(9,658)	(215)	(9,873)
Other comprehensive income/(loss) for the period	-	-	-	36	-	36	(423)	(387)
Total comprehensive income/(loss) for the period	-	-	-	36	(9,658)	(9,622)	(638)	(10,260)
Balance at 31 March 2026 (Unaudited)	<u>3,659,023</u>	<u>52,579</u>	<u>49,631</u>	<u>(2,234,595)</u>	<u>(955,365)</u>	<u>571,273</u>	<u>(27,996)</u>	<u>543,277</u>

The accompanying notes on pages 8 to 23 form an integral part of this condensed consolidated interim financial information.

SHUAA CAPITAL PSC and its subsidiaries

Condensed consolidated interim statement of cash flows

(Currency - Thousands of U.A.E. Dirhams)

		3 months to 31 March 2026 Unaudited	3 months to 31 March 2025 Unaudited
Cash flows from operating activities			
Pre-tax (loss)/profit for the period		(10,990)	217,490
Adjustments:			
Foreign exchange loss		19	-
Finance cost		2,323	9,838
Net interest (income)/expense		(6)	17
Fair value loss on investments at FVTPL		-	16,980
Share of loss from investments in associates	10	3,404	7,066
Mandatory convertible bonds		-	(214,776)
Settlement of other financial liabilities		-	(37,839)
Employees' end of service benefit charge		355	347
Provisions for impairment losses – net		-	2,991
Depreciation and amortization		2,382	2,418
		-----	-----
Operating cash flows before movements in working capital		(2,513)	4,532
Increase in receivables and other debit balances		(3,195)	(2,187)
Decrease/(increase) in loans, advances and finance leases		44,658	(1,438)
Increase in payables and other credit balances		30,387	23,264
		-----	-----
Net cash generated from operations		69,337	24,171
Employees' end of service benefit paid		(847)	(527)
		-----	-----
Net cash generated from operating activities		68,490	23,644
		-----	-----
Cash flows from investing activities			
Payments for the purchase of investments		(8,878)	(3,353)
Proceeds from disposal of property and equipment		-	3,241
Net interest received/(paid)		6	(17)
		-----	-----
Net cash used in investing activities		(8,872)	(129)
		-----	-----
Cash flows from financing activities			
Issuance of mandatory convertible bonds		-	85,000
Repayment of borrowings		-	(52,049)
Lease rentals paid		(2,055)	(4,049)
Finance cost paid		-	(8,222)
		-----	-----
Net cash (used in)/ generated from financing activities		(2,055)	20,680
		-----	-----
Net increase in cash and cash equivalents		57,563	44,195
Cash and cash equivalents at beginning of the period	7	48,854	41,926
		-----	-----
Cash and cash equivalents at end of the period		106,417	86,121
		-----	-----

The accompanying notes on pages 8 to 23 form an integral part of this condensed consolidated interim financial information.

SHUAA CAPITAL PSC and its subsidiaries

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2026

(Currency - Thousands of U.A.E. Dirhams)

1. LEGAL STATUS AND ACTIVITIES

SHUAA Capital PSC (the “Company” or “SHUAA”) is a public shareholding company established in Dubai, United Arab Emirates, pursuant to Emiri Decree No. 6 of 25 April 1979 and in accordance with the UAE Federal Law No. 8 of 1984 concerning Commercial Companies and its amendments (“Companies Law”). The registered address of the Company is P.O. Box 31045, Dubai, United Arab Emirates. The Company’s shares are traded on the Dubai Financial Market in the United Arab Emirates.

These condensed consolidated interim financial information include the assets, liabilities and results of operations of the Group and its subsidiaries (the “Group”) as disclosed in the Group’s annual consolidated financial statements as at 31 December 2025.

The company is licensed by the Capital Market Authority to conduct Investment Management, Financial Consulting and Financial Analysis, Promotion, Introduction and Issuance Management activities. The Company and its subsidiaries conduct a diversified range of investment and financial services activities with special emphasis on the Arab region in general, the UAE and GCC markets, and are actively involved in public and private capital markets in the region.

2. BASIS OF PREPARATION

2.1 Basis of preparation

These condensed consolidated interim financial information and accompanying notes for the period ended 31 March 2026 have been prepared in accordance with International Accounting Standard (IAS) 34, “Interim Financial Reporting” and comply with the applicable requirements of the laws in the U.A.E. As per the requirements of IAS 34, the condensed consolidated interim financial information does not include all the information required for full annual consolidated financial information and should be read in conjunction with the Group’s annual audited consolidated financial statements as at and for the year ended 31 December 2025 which have been prepared in accordance with International Financial Reporting Standards (IFRS). These condensed consolidated interim financial information of the Group are prepared under the historical cost basis except for certain financial instruments which are measured at fair value. In addition, results for the three months ended 31 March 2026 are neither audited nor are they necessarily indicative of the results that may be expected for the full financial year ending 31 December 2026.

2.2 Going concern

The Group has achieved a loss of AED 9.8 million (31 Mar 2025: Net gain of 195 million) during the three-month period to 31 Mar 2026 which has resulted in increase in accumulated losses to an amount of AED 955 million (31 December 2025: 946 million) as at that date. The Group has incurred net gain/(losses) during the previous two years and an operating loss in the current year to date.

Further, the Group has AED 303 million of borrowings repayable within the next twelve months from the date of approval of these condensed consolidated interim financial information, including bilateral facilities (“Term Loan”) of AED 213 million due to a bank. The Group remained in close engagement with its senior lender during the period. Following the covenant waiver secured in 2024, the Group continued to advance discussions toward a comprehensive restructuring agreement. Refer to note 13.1. of borrowings and note 22 subsequent event for further details.

During the year 2025, the Group has successfully finalised its Mandatory Convertible Bonds (“MCBs”) amounting to AED 274.4 million (equivalent to USD 74.7 million) to its existing Noteholders. These MCBs were converted into ordinary shares at AED 0.32 per share which resulted in 857.5 million of ordinary shares issued in Q1 2025. The remaining Noteholders, whose holdings total USD 75.3 million received a settlement equivalent to 20% of their principal amount, paid on 28 March 2025 (USD 15.1 million). This transaction resulted in a gain of AED 214.8 million.

In addition, the Group raised AED 85 million through the issuance of MCBs to new investors and these MCBs were converted into ordinary shares at AED 0.32 per share resulting in 265.6 million shares issued in Q1 2025.

In assessing the appropriateness of applying the going concern basis in the preparation of these condensed consolidated interim financial statements, the Board of Directors have considered the Group’s operational profitability, liquidity and forecasted cash flows, taking into account reasonably possible outcomes over a 12-month period from the date of approval of these condensed consolidated interim financial information.

SHUAA CAPITAL PSC and its subsidiaries

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2026

(Currency - Thousands of U.A.E. Dirhams)

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies adopted in the preparation of this condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025 except for the adoption of new standards effective as of 1 January 2026 where appropriate. The Group has not adopted any other standard, interpretation or amendment that has been issued that is not yet effective. Several amendments apply for the first time in 2026 and adopted by the Group. These amendments do not have significant impact on the condensed consolidated interim financial information of the Group and therefore further disclosures have not been made.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the preparation of the Group's condensed consolidated interim financial information, management has made a number of critical estimates and judgments in a manner consistent with those described in the Group's annual consolidated financial statements for the year ended 31 December 2025.

SHUAA CAPITAL PSC and its subsidiaries

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2026

(Currency - Thousands of U.A.E. Dirhams)

5. SEGMENTAL INFORMATION

For internal management purposes the Group is organised into three operating segments, all of which are based on business units:

Asset Management 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.

Investment banking provides corporate finance advisory, transaction services, private placement, public offerings of equity and debt securities and structured products. It also creates market liquidity on OTC fixed income products.

Corporate manages principal investments, non-core assets, corporate developments, treasury and other shared services related to the Group.

	1 January to 31 March 2026(Unaudited)			
	Asset Management	Investment Banking	Corporate	Total
Management and performance fees	13,944	-	(28)	13,916
Advisory fees	-	-	-	-
Trading and custody	-	4,449	-	4,449
Others	-	-	-	-
Total revenues	13,944	4,449	(28)	18,365
General and administrative expenses	(12,603)	(7,700)	(1,192)	(21,495)
Depreciation and amortisation	(825)	(1,531)	(26)	(2,382)
Fee and commission expense	(2,207)	-	-	(2,207)
Total expenses	(15,635)	(9,231)	(1,218)	(26,084)
Operating loss	(1,691)	(4,782)	(1,246)	(7,719)
Finance cost	(207)	(188)	(1,928)	(2,323)
Net foreign exchange loss	(14)	(5)	-	(19)
Net interest income	-	-	6	6
Other income	830	1,455	178	2,463
Change in fair value gain from financial assets at fair value through profit or loss (FVTPL)	-	-	6	6
Share of loss from investments in associates	-	-	(3,404)	(3,404)
Pre-tax loss	(1,082)	(3,520)	(6,388)	(10,990)
Corporate tax income for the period	-	-	1,117	1,117
Net loss	(1,082)	(3,520)	(5,271)	(9,873)
Non-controlling interests	-	-	215	215
Loss for the period attributable to Owners	(1,082)	(3,520)	(5,056)	(9,658)
Revenue generated from external customers (fee & commission)	13,944	1,414	(28)	15,330

	At 31 March 2026 (Unaudited)			
	Asset Management	Investment Banking	Corporate	Total
Assets	350,796	305,476	482,720	1,138,992
Liabilities	72,814	67,683	455,218	595,715

SHUAA CAPITAL PSC and its subsidiaries

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2026

(Currency - Thousands of U.A.E. Dirhams)

5. SEGMENTAL INFORMATION (continued)

	1 January to 31 March 2025 (Unaudited)			
	Asset Management	Investment Banking	Corporate	Total
Management and performance fees	17,057	-	224	17,281
Advisory fees	-	7,346	-	7,346
Trading and custody	-	1,039	-	1,039
Others	-	-	11	11
Total revenues	17,057	8,385	235	25,677
General and administrative expenses	(15,572)	(5,464)	(2,547)	(23,583)
Depreciation and amortisation	(1,245)	(1,148)	(25)	(2,418)
Fee and commission expense	(1,241)	-	(238)	(1,479)
Total expenses	(18,058)	(6,612)	(2,810)	(27,480)
Operating (loss)/profit	(1,001)	1,773	(2,575)	(1,803)
Finance cost	(940)	(198)	(8,700)	(9,838)
Provision for impairment losses on financial assets	-	-	(2,991)	(2,991)
Net interest expense	-	-	(17)	(17)
Gain on mandatory convertible bonds	-	-	214,776	214,776
Other (expense)/income	(1,305)	(847)	43,163	41,011
Change in fair value gain/(loss) from financial assets at fair value through profit or loss (FVTPL)	-	-	(16,582)	(16,582)
Share of loss from investments in associates	-	-	(7,066)	(7,066)
Pre-tax (loss)/income	(3,246)	728	220,008	217,490
Corporate tax income for the period	-	-	(22,466)	(22,466)
Net (loss)/income	(3,246)	728	197,542	195,024
Non-controlling interests	41	-	700	741
(Loss)/profit for the period attributable to Owners	(3,205)	728	198,242	195,765
Revenue generated from external customers (fee & commission)	1,457	208	15,887	17,552

	At 31 March 2025 (Unaudited)			
	Asset Management	Investment Banking	Corporate	Total
Assets	357,351	308,669	523,521	1,189,541
Liabilities	61,420	57,622	499,639	618,681

6. OTHER INCOME

	3 months to 31 March 2026 Unaudited	3 months to 31 March 2025 Unaudited
Gain on settlement of other financial liabilities	-	37,839
Others	2,463	3,172
	2,463	41,011

SHUAA CAPITAL PSC and its subsidiaries

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2026

(Currency - Thousands of U.A.E. Dirhams)

7. CASH AND CASH EQUIVALENTS

	31 March 2026 Unaudited	31 December 2025 Audited
Cash in hand	121	109
Balances held with banks	107,546	49,995
	----	----
Cash and deposits with banks	107,667	50,104
Less: Restricted deposits	(1,250)	(1,250)
	----	----
Cash and cash equivalents	<u>106,417</u>	<u>48,854</u>

8. RECEIVABLES AND OTHER DEBIT BALANCES

	31 March 2026 Unaudited	31 December 2025 Audited
Trade receivables – net of loss allowance (8.1)	50,847	44,204
Deferred tax asset	8,640	7,522
Prepayments	6,630	5,753
Advances and deposits	4,560	4,707
Accrued income	2,907	7,333
Others (8.2)	25,546	25,300
	-----	-----
	<u>99,130</u>	<u>94,819</u>
Trade receivables and managed funds – net of loss allowance		
Trade receivables and managed funds	174,138	167,495
Less: Loss allowance	(123,291)	(123,291)
	-----	-----
	<u>50,847</u>	<u>44,204</u>

8.1 Included in trade receivables is an amount of 498 (31 December 2025: 498) due from related parties (note 17).

8.2 This includes 25,300 (31 December 2025: 25,300) receivable from the disposal of a subsidiary in 2022.

9. LOANS, ADVANCES AND FINANCE LEASES

During the three-month period ended 31 March 2026, no charge (three-month period ended 31 March 2025: Nil) was made against expected credit losses on loans given by the Group.

As at 31 March 2026, the underlying collateral for loans, advances and finance leases were valued at nil (31 December 2025: 44,000).

SHUAA CAPITAL PSC and its subsidiaries

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2026

(Currency - Thousands of U.A.E. Dirhams)

10. INVESTMENTS IN ASSOCIATES

	31 March 2026 Unaudited	31 December 2025 Audited
Opening balance	349,804	368,415
Share of (losses)/profit from associates	(3,404)	14,141
Disposal	-	(32,541)
Impairment	-	(211)
	-----	-----
Closing balance	346,400	349,804
	=====	=====

The below table highlights the geographical allocation of associates:

	31 March 2026 Unaudited	31 December 2025 Audited
UAE	346,400	349,804
	-----	-----
	346,400	349,804
	=====	=====

11. GOODWILL AND OTHER INTANGIBLE ASSETS

	Goodwill	Trademark	Customer		Total
			Relationships	Trade Licenses	
Cost					
Balance at beginning of the period	516,051	7,993	34,249	7,607	565,900
Balance at end of the period	516,051	7,993	34,249	7,607	565,900
	-----	-----	-----	-----	-----
Accumulated amortisation					
Balance at beginning of the period	-	2,967	26,866	7	29,840
Charge for the period	-	120	308	-	428
Balance at end of the period	-	3,087	27,174	7	30,268
	-----	-----	-----	-----	-----
Net book value at 31 March 2026 (Unaudited)	516,051	4,906	7,075	7,600	535,632
	-----	-----	-----	-----	-----
Net book value at 31 December 2025 (Audited)	516,051	5,026	7,383	7,600	536,060
	-----	-----	-----	-----	-----

During the three months period to 31 March 2026 the Group did not identify any significant changes in the estimation, assumptions (excluding cashflows of cash generating units) or the sensitivities used for the impairment assessment performed at 31 December 2025 and which were disclosed in the financial statements for the year ended 31 December 2025.

SHUAA CAPITAL PSC and its subsidiaries

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2026 (Currency - Thousands of U.A.E. Dirhams)

12. PAYABLES AND OTHER CREDIT BALANCES

	31 March 2026 Unaudited	31 December 2025 Audited
Payable to clients	3,227	3,232
Deferred tax liability	40,854	40,854
FVTPL liabilities (Note 18.1)	27,471	3,055
Accruals	22,155	20,963
Payables against acquisition	11,391	11,391
Customer deposits	9,208	9,208
Corporate tax payable	8,226	8,226
Lease liabilities	6,556	8,462
End of service benefits	6,359	6,851
Deferred revenue	1,161	2,078
Provisions	374	374
Other payables*	49,254	43,147
	<u>186,236</u>	<u>157,841</u>

* Other payables mainly comprise of amount due to suppliers.

The maturity profile of payables and other credit balances at the end of the reporting period is as follows:

	31 March 2026 Unaudited	31 December 2025 Audited
Repayable within twelve months	131,307	99,596
Repayable after twelve months	54,929	58,245
	<u>186,236</u>	<u>157,841</u>

13. BORROWINGS

	31 March 2026 Unaudited	31 December 2025 Audited
Secured		
Due to banks (Note 13.1)	213,015	212,585
Due to other financial institutions (Note 13.2)	33,768	33,464
Others	56,597	56,066
	<u>303,380</u>	<u>302,115</u>
Unsecured		
Bonds and Sukuk payable (Note 13.3)	18,730	18,354
	<u>18,730</u>	<u>18,354</u>
	<u>322,110</u>	<u>320,469</u>

13.1 The interest accrued, amounting to AED 0.35 million, on the above mentioned borrowings (due to the bank) has been calculated based on the terms outlined in a revised term sheet that is currently under advanced discussion with the lending bank. Management of the Group expects that the revised terms will be finalized before the end of the second quarter of 2026. Accordingly, interest amounting to AED 4.30 million as at March 31, 2026, has not been accrued in accordance with the terms of the existing facility agreement dated 9 August 2018 (as amended, restated, or supplemented from time to time, most recently on 4 July 2021). Management of the Group believes that applying the revised terms effectively reflects the expected outcome of the ongoing negotiations with the lending bank. Refer note 22 subsequent events.

13.2 These include borrowings amounting to 33,768 (31 December 2025: 33,464) due to related parties (Note 17) with an interest rate of 8% p.a. (2025: 8% p.a.).

13.3 Finance cost includes interest of 453 for the reviewed period (31 Mar 2025: 457) on the Sukuk payable.

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13. BORROWINGS (continued)

The maturity profile of borrowings at the end of the reporting period is as follows:

	31 March 2026 Unaudited	31 December 2025 Audited
Secured		
Repayable within twelve months	303,380	302,115
	-----	-----
	303,380	302,115
	-----	-----
Unsecured		
Repayable after twelve months	18,730	18,354
	-----	-----
	18,730	18,354
	-----	-----
	322,110	320,469
	=====	=====

14. SHARE CAPITAL

	Number of shares (in '000s)	Value
31 March 2026 (Unaudited)	3,659,023	3,659,023
	=====	=====
31 December 2025 (Audited)	3,659,023	3,659,023
	=====	=====

Authorised, issued and fully paid share capital comprises 3,659,022,945 shares (31 December 2025: 3,659,022,945 shares) of AED 1 (31 December 2025: AED 1 per share). Each share carries one vote and the right to receive dividends.

In Q1 2025, the Group successfully finalized the conversion of Mandatory Convertible Bonds ("MCBs") totalling AED 274.4 million (equivalent to USD 74.7 million) held by existing Noteholders. These MCBs were converted into 857.5 million ordinary shares at a conversion price of AED 0.32 per share.

Additionally, the Group raised AED 85 million through the issuance of MCBs to new investors, which were converted into 265.6 million ordinary shares at AED 0.32 per share in Q1 2025.

As a result of these transactions, the Group issued a total of 1,123 million ordinary shares in Q1 2025. The par value of each share is AED 1. The difference between the issue price and the par value amounted to AED 0.68 per share (AED 763.8 million in total), has been recorded as a negative share premium reserve (Note 15).

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15. OTHER RESERVES

	Merger reserve (15.1)	Investment revaluation reserve	Cash flow hedge reserve	Translation reserve	Negative share premium reserve	Total
At 1 January 2026 (Audited)	(1,410,720)	(64,860)	9,203	(4,408)	(763,846)	(2,234,631)
Translation of operations of foreign subsidiaries	-	-	-	(387)	-	(387)
NCI share	-	-	-	423	-	423
At 31 March 2026 (Unaudited)	(1,410,720)	(64,860)	9,203	(4,372)	(763,846)	(2,234,595)
At 31 December 2025 (Audited)	(1,410,720)	(64,860)	9,203	(4,408)	(763,846)	(2,234,631)

15.1 Merger reserve represents the excess value of the consideration paid by the legal acquirer (SHUAA) over the nominal value of the pre-merger share capital of the legal acquiree (ADFG).

16. EARNINGS / (LOSS) PER SHARE

Basic earnings per share has been computed by dividing the net profit attributable to the Owners with the weighted average number of ordinary shares outstanding.

	3 months to 31 March 2026 Unaudited	3 months to 31 March 2025 Unaudited
(Loss) / profit attributable to the Owners	(9,658)	195,765
Weighted average number of ordinary shares	3,659,023	3,659,023
(Losses) / earnings per share	(0.003)	0.05

Diluted earnings per share as of 31 March 2026 and 31 March 2025 are equivalent to basic earnings per share.

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17. RELATED PARTY TRANSACTIONS AND BALANCES

The Group enters into transactions with companies and entities that fall within the definition of a related party. Related parties represent significant shareholders, directors and key management personnel of the Group, their close family members and entities controlled, jointly controlled or significantly influenced by such parties.

The Group conducts its transactions with related parties on arm's length terms, with any exceptions to be specifically approved by the Board. In all cases, transactions with related parties are required to be conducted in compliance with all relevant laws and regulations. Where a Board member has an actual or perceived conflict of interest over an issue to be considered by the Board, the interested member may not vote on any relevant resolutions and can also be asked by the Chairman not to participate in the relevant Board discussions.

The nature of significant related party transactions and the amounts due to/from related parties were as follows:

	31 March 2026 Unaudited	31 December 2025 Audited
Receivables and other debit balances		
Associates	<u>498</u>	<u>498</u>
Borrowings		
Associates	<u>33,768</u>	<u>33,464</u>
Other financial liabilities		
Associates	<u>14,041</u>	<u>14,041</u>
Other related parties	<u>31,128</u>	<u>31,128</u>

18. FINANCIAL INSTRUMENTS

18.1 Fair value of financial instruments

Fair value measurement of financial assets at FVTPL and FVTOCI

Fair values for the Group's financial assets at FVTPL and FVTOCI (level 3) are measured using market or income approaches.

Considerable judgment may be required in developing estimates of fair value, particularly for financial instruments classified as Level 3 in the fair value hierarchy as such estimates incorporate market unobservable inputs that require management to use its own assumptions.

The uncertainty in those assumptions have been incorporated into the Group's valuations of Level 3 financial instruments primarily through updated cash flows and discount rates, as applicable. Additional volatility in the fair values of Level 3 financial instruments may arise in future periods if actual results differ materially from the Group's estimates.

The Group's valuation techniques for Level 3 financial instruments remained unchanged during the three months ended 31 March 2026

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

SHUAA CAPITAL PSC and its subsidiaries

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2026

(Currency - Thousands of U.A.E. Dirhams)

18. FINANCIAL INSTRUMENTS (continued)

18.1 Fair value of financial instruments (continued)

The following table shows an analysis of financial assets and liabilities recorded at fair value by level of the fair value hierarchy:

	31 March 2026 (Unaudited)			Total
	Level 1	Level 2	Level 3	
Financial Assets				
FVTPL				
-Equity investments	2,612	-	-	2,612
-Fixed income investments	19,981	-	-	19,981
-Fund investments	-	547	4,321	4,868
	<u>22,593</u>	<u>547</u>	<u>4,321</u>	<u>27,461</u>
Financial Liabilities				
FVTPL (Note 12)	27,471	-	-	27,471
	<u>27,471</u>	<u>-</u>	<u>-</u>	<u>27,471</u>
	31 December 2025 (Audited)			Total
	Level 1	Level 2	Level 3	
Financial Assets				
FVTPL				
-Equity investments	8,641	-	-	8,641
-Fixed income investments	5,074	-	-	5,074
-Fund investments	-	547	4,321	4,868
	<u>13,715</u>	<u>547</u>	<u>4,321</u>	<u>18,583</u>
Financial Liabilities				
FVTPL (Note 12)	3,055	-	-	3,055
	<u>3,055</u>	<u>-</u>	<u>-</u>	<u>3,055</u>

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Notes to the condensed consolidated interim financial information for the three months ended 31 March 2026

(Currency - Thousands of U.A.E. Dirhams)

18. FINANCIAL INSTRUMENTS (continued)

18.1 Fair value of financial instruments (continued)

Financial assets recorded at fair value

The following is a description of the determination of fair value for financial instruments which are recorded at fair value using valuation techniques. These incorporate the Group's estimate of assumptions that a market participant would make when valuing the instruments.

At fair value through profit or loss:

Investments carried at FVTPL are valued using market prices in active markets or valuation techniques which incorporate data which is both observable and non-observable. This category includes quoted and unquoted securities and funds which invest in underlying assets which are in turn valued based on both observable and non-observable data. Observable inputs include market prices (from active markets), foreign exchange rates and movements in stock market indices. Unobservable inputs include assumptions regarding expected future financial performance, discount rates, net asset values and market liquidity discounts. Investments classified as FVTPL falling under level 2 category have been valued using Net Asset Value and adjusted quoted prices in respect of investments under inactive markets.

At fair value through other comprehensive income:

Financial assets carried at FVTOCI are valued using quoted prices in active markets, valuation techniques or pricing models and consist of quoted equities, and unquoted funds. These assets are valued using quoted prices or models which incorporate data which is both observable and non-observable. The non-observable inputs to the models include assumptions regarding the future financial performance of the investee, its risk profile and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates.

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(Currency - Thousands of U.A.E. Dirhams)

18. FINANCIAL INSTRUMENTS (continued)

18.1 Fair value of financial instruments (continued)

The following table shows the impact on the fair value of level 3 instruments reflecting change in underlying assumptions used in the valuation by class of instrument.

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and Key input(s)	Significant unobservable input(s)	Effect of changes in underlying assumptions Mar 2026	Effect of changes in underlying assumptions Dec 2025	Sensitivity analysis	Relationship of unobservable inputs to fair value
	31/3/26 Unaudited	31/12/25 Audited							
<u>FVTPL</u>									
Fund investments	4,321	4,321	3	Discounted cash flow ¹ and NAV ²	Net asset value adjusted with market risk	+/- 216	+/- 216	± 5% change in NAV and 1% change in discount rate, impacts fair value	The higher the market risk, the lower the fair value and the higher the discount rate, the lower the fair value

Significant unobservable inputs in Level 3 instruments valuations

¹Discounted cash flow models are used to fair value fund investments. A significant portion of the fund investments relates to a UK based real estate development fund that uses market comparable and discounted cashflow model to determine its fair value, of which the key assumptions relate to timing of future cash inflows/outflows and discount rate. For the remaining assets recognized under fund investments, the cash flow model includes assumptions related to future cash inflows/outflows, discount rate and growth rate. The extent of the adjustment varied according to the characteristics of each investment.

²Net asset value represents the estimated value of a security based on valuations received from the investment or fund manager. The NAV is based on the fair value of the underlying investments and other assets and liabilities. The valuation of certain private equity securities is based on the economic benefit we derive from our investment.

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(Currency - Thousands of U.A.E. Dirhams)

18. FINANCIAL INSTRUMENTS (continued)

18.1 Fair value of financial instruments (continued)

Movements in level 3 financial assets measured at fair value

During the period, there were no transfers between levels.

The following table shows a reconciliation of the opening and closing balance of level 3 financial assets which are recorded at fair value:

	31 March 2026 (Unaudited)							Balance at
	Balance at	Acquired on business	Additions	Disposal	Loss	Loss	Level 2 to	31 March
	1 January 2026	combination			through P&L	through OCI	3	2026
FVTPL								
Equity Investments	-	-	-	-	-	-	-	-
Fund Investment	4,321	-	-	-	-	-	-	4,321
FVOCI								
Fund Investment	-	-	-	-	-	-	-	-
	<u>4,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,321</u>
	31 December 2025 (Audited)							Balance at
	Balance at	Acquired on business	Additions	Disposal	Loss	Loss	Level 2 to	31 December
	1 January 2025	combination			through P&L	through OCI	3	2025
FVTPL								
Equity Investment	9,009	-	-	-	(9,009)	-	-	-
Fund Investment	20,374	-	-	-	(16,053)	-	-	4,321
FVOCI								
Fund Investment	562	-	-	-	-	(562)	-	-
	<u>29,945</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,062)</u>	<u>(562)</u>	<u>-</u>	<u>4,321</u>

Gains and losses on level 3 financial assets included in the condensed consolidated interim statement of profit or loss and other comprehensive income for the period/year are detailed as follows:

	31 March 2026 Unaudited	31 December 2025 Audited
Realised and unrealised losses	-	(25,062)

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19. FINANCIAL RISK MANAGEMENT

Introduction

The inherent risk relating to the Group's activities is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The Group is exposed to credit risk, liquidity risk, market risk (comprising, interest rate risk, foreign exchange risk and equity price risk) and operational risk.

Risk management structure

The Board of Directors is ultimately responsible for identifying and controlling risk relating to the Group's activities and recognises the importance of managing risk in line with shareholder risk appetite.

Authority to set Group-wide rules to manage credit, liquidity and market risk are delegated to the Governance Committees of the Group and to each subsidiary. However, enterprise-wide risk is monitored by the Group Management Committees which ensures that Group rules are adhered to.

Liquidity risk & risk management

Liquidity risk is the risk that it will be unable to meet its funding requirements and arises principally on the Group's borrowings, payables and other credit balances and other financial liabilities. To limit this risk, management has arranged diversified funding sources, managed assets with liquidity in mind and monitored liquidity daily.

In addition, the Group has strengthened its liquidity buffer through working capital management and fund-raising initiatives. The Group believes that the current cash and cash equivalents provide sufficient level of liquidity and stability during this time of uncertainty.

The Group's approach aims to always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses and without materially affecting the return on capital. The Risk & Governance Committee of the Board ("RGCB") and Asset Liabilities Committee ("ALCO") set minimum liquidity ratios and cash balance requirements which are then approved by the Board. The Group collects the projected cash flow and liquidity profiles of its financial assets and financial liabilities. It maintains a portfolio of short-term liquid assets to cover requirements, largely consisting of short-term liquid placements with financial institutions.

The various liquidity monitoring metrics are monitored by both the RCB and ALCO against internally set limits which have been approved by the Board. The primary measures of liquidity used by the Group are stock of liquid assets, liquidity coverage ratio and net funding requirement. The oversight of the liquidity risk by the Board, RCB and ALCO also includes monitoring of the Group's compliance with the debt covenants.

20. COMMITMENTS AND CONTINGENT LIABILITIES

	31 March 2026 Unaudited	31 December 2025 Audited
Contingent liabilities	<u>515</u>	<u>515</u>

At 31 March 2026, the Group had capital commitments of Nil (31 December 2025: Nil) with respect to project development.

21. TAXATION

Based on the assessment, the Company has noted no deferred tax impact for the quarter ended 31 March 2026. The tax income for the quarter ended 31 March 2026 is AED 1.1 million.

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22. SUBSEQUENT EVENT

The Group maintained ongoing dialogue with its senior lender throughout the period. Following the covenant waiver originally secured in 2024, the Group continued to engage in constructive discussions regarding a comprehensive restructuring and refinancing of the existing facility. A further extension of the waiver period was obtained, which expired on 31 March 2026. As at the date of approval of these consolidated interim financial statements, the refinancing term sheet is still in discussion by the Group with the senior lender with the expectation of finalisation to be done before the second quarter. While no further formal extension of the waiver period has been granted beyond 31 March 2026, the bank has not issued a formal demand or acceleration notice in respect of the overdue amounts under the existing facility as at the date of these consolidated interim financial statements. The bank has expressly reserved all of its rights and remedies under the existing facility, and nothing in the term sheet or the ongoing discussions constitutes a waiver of, or prejudice to, any such rights or remedies. The management expects to conclude a definitive restructuring and refinancing agreement before the end of the second quarter of 2026.

In light of the geopolitical conditions, the management has assessed that the Group's core operations continue without any material interruption and that the Group remains financially sound. The Group also continues to adhere to prudent governance standards, disciplined risk management practices, and full compliance with all applicable regulatory requirements. The management confirms that as at the date of approval of these condensed consolidated interim financial statements, no material financial impact has resulted from this incident.