



SHUAA Capital – Q2 2022 Earnings Call – DFM Brief

SHUAA Capital psc's ("SHUAA") Q2 2022 Earnings Call was held on Thursday 11th August 2022 at 3:00pm and was presented by a member of SHUAA Capital's senior management:

- **Fawad Tariq Khan**, Group Chief Executive Officer
- **Thanos Tsetsonis**, Head of Investor Relations & ESG

During the call, SHUAA's Q2 2022 financial performance was reviewed. An update on SHUAA's strategic agenda and several key growth initiatives, particularly with regards to SHUAA's recent activity was also provided.

Attendees were encouraged to go to the investor relations section of SHUAA's website (www.shuaa.com), where the presentation material and financial statements which were discussed during the call are available.

Summary of the Presentation

The below is a summary of the key points discussed throughout the presentation and provides an overview of the slides that were discussed and included in the presentation.

Further consolidation of recurring revenues and deleveraging of the balance sheet

SHUAA delivered another set of **strong recurring revenues** of AED 64 million across all business segments of the Group in Q2 2022.

- I. The Group's **Asset Management** segment delivered a robust performance of AED 33 million of revenues, driven by the strong contribution from recurring management fees, which is expected to increase in the second half of the year.
- II. The Group's **Investment Banking** business reported revenues of AED 3 million due to lower advisory and trading revenues compared to the first quarter with revenues in the second half of the year expected to be higher.
- III. Revenues from our **Corporate** segment remained strong at AED 28 million despite increased market volatility.

Firm cost discipline: the cost-income ratio of 90% in Q2 2022 is higher than the 73% in Q1 2022 due to lower revenues. However, additional cost optimization measures are expected to have an impact in the second half of 2022.

Continued deleveraging: the Group continues to focus on deleveraging with repayments of AED 188 million in H1 2022.

After the conclusion of the presentation, the call was opened to analysts to ask questions directly to senior management there were, however, no questions asked.

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*
- *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.