

AMWAL CAPITAL PARTNERS LAUNCHES SHARIAH-COMPLIANT PRIVATE CREDIT FUND

Targeting Underserved SMEs Across the GCC

DUBAI, UNITED ARAB EMIRATES, 12 May 2025 – Amwal Capital Partners, an independent alternative investment firm with offices in Dubai and Riyadh, today announced the successful launch and first close of its Shariah-compliant financing fund.

The fund is designed to address the rising demand for ethical, Shariah-compliant financing solutions from investors, and flexible capital for small and medium-sized enterprises (SMEs) that remain underserved by the regional banks.

The newly launched \$150 million ACP Shariah Financing Fund will provide capital to emerging companies across a range of sectors, with a particular focus on asset-backed solutions for tech-enabled platforms. It will also pursue direct lending opportunities, targeting 12 to 15 transactions over its five-year term, primarily in Saudi Arabia and the United Arab Emirates.

“Regional private credit presents a compelling opportunity to deliver equity-like returns through exposures that are uncorrelated to public markets, overcollateralized and well structured”, said Sharif Eid, Partner and Co-Head of Fixed Income at Amwal Capital Partners. “Corporate leverage is also low across the GCC, creating favourable lending dynamics”.

SME lending in the GCC remains both underserved and underpenetrated, with SME loans comprising under 10% of total lending compared to over 20% in developed markets. The regional SME credit gap is estimated at \$250 billion. “Private credit represents one of the most structurally attractive opportunities in the region’s financial ecosystem. The SME credit gap highlights a chronic mismatch between capital supply and real economic need. Our fund is purpose-built to address this imbalance through Shariah-compliant financing overlooked by traditional channels.”, added Fadi Arbid, co-Founder and Chief Investment Officer of Amwal Capital Partners.

Recent reforms across the GCC, particularly in the United Arab Emirates and Saudi Arabia, have introduced material changes to legal and regulatory frameworks, enabling more effective structuring, enforcement, and security.

Amwal Capital Partners reports a strong pipeline for the ACP Shariah Financing Fund, targeting sectors such as logistics, vehicle leasing, and FinTech, with expected maturities ranging from three to four years. The fund is launching with two warehoused transactions targeting the GCC’s growing tourism industry and the strategic agricultural food trade segment. The fund is actively engaged in several other asset-backed financing deals and expects to complete two

to four more transactions this year. "The fund already exceeded its initial close target and has attracted leading institutional investors from the region", concluded Eid.

The launch of the fund follows the successful launch of the ACP Shariah Hybrid Income Fund in December that offered a semi-liquid structure for investors to access private credit, the first such product in the region and for Islamic investors. Amwal Capital Partners' private credit and hybrid income funds are designed to deliver high-yield returns while maintaining strict Shariah compliance, with every investment opportunity structured from inception to meet Islamic finance principles.

Zeina Rizk, Partner and Co-Head of Fixed Income at Amwal Capital Partners, stated that "the Shariah Hybrid Fund offers investors a compelling opportunity to take advantage of the best of both worlds—pairing the liquidity and opportunities of the public sukuk market with the enhanced return potential of private credit, while benefiting from their low correlation".

"Demand for both products has exceeded expectations since our fund raise began in September. The demand is equally met with a strong opportunity set and pipeline that we are excited to undertake" concluded Arbid.

About Amwal Capital Partners

Amwal Capital Partners is an independent asset management firm focused on the Middle East and North Africa (MENA) region. The investment team brings several decades of experience and a consistent track record across diverse asset classes, primarily public equities, public fixed income and private credit. Amwal Capital Partners operates through Amwal Capital AlMaliyah, which is based in Riyadh, Saudi Arabia and is regulated by the CMA; and Amwal Capital Partners Limited, which is based in Dubai, UAE and is regulated by the DFSA.