

Earnings Release

05 November 2018

SHUAA Capital registers AED 30.1 million Q3 2018 net profit, the Group's highest quarterly profit since 2008

- Maintains positive trajectory with growth drive on track despite challenging markets
- Officially entered Kuwaiti market with the acquisition of Amwal and its subsidiary Noor Capital Markets
- Invested in expanding and diversifying the overall Capital Markets and Securities propositions

SHUAA Capital today reports its financial results for the quarter ended 30 September 2018, with AED 30.1 million in net profits, up 31% year on year, the Group's highest quarterly figure since 2008. Year to date, net profits stood at AED 56.4 million (YTD 2017: net profit of AED 59.8 million).

The Group's Asset Management business line saw a 35% increase in profits to AED 8.5 million (Q3 2017: AED 6.3 million), as its operations grows further in both the Kingdom of Saudi Arabia and the UAE. SHUAA's Capital Markets division recorded profits of AED 14.2 million following the consolidation of related subsidiaries (Q3 2017: loss AED 0.5 million). The Investment Banking and Lending divisions recorded losses of AED 0.3 million and AED 2.1 million respectively, while the corporate division registered profits worth AED 9.8 million.

Group third quarter revenues grew 39% year on year, reaching AED 41.1 million (Q3 2017: AED 29.6 million). General and administrative expenses increased 38% to AED 29.2 million (Q3 2017: AED 21.2 million) as the Group supports the growth of business operations and expansion activities outside of the UAE.

Fawad Tariq-Khan, SHUAA's Chief Executive said, "The third quarter saw us maintaining our positive trajectory based on the previously announced road map. The various teams are actively working on developing client relations, and to seize opportunities across multiple market jurisdictions. Our recent acquisition of Amwal International Investment Company in Kuwait, and intended business affiliations are meant to help us benefit from synergies and capture inbound and outbound business prospects. Activating these investments and partnerships is imminent, and we expect the final quarter to be another game changing quarter for the Group".

As of 30 September 2018 SHUAA's balance sheet and total assets were AED 1.9 billion (31 December 2017: AED 1.2 billion). The Group's liquidity position is healthy with AED 323.7 million in cash. Liabilities increased to AED 887.0 million. Net equity stood at AED 892.4 million while the leverage ratio was 0.46.

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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.

About SHUAA Capital psc: Established in 1979, and often considered to be the most recognized financial advisory and investment firm in the Middle East, **SHUAA Capital psc** ('SHUAA') is an integrated financial services firm headquartered in the United Arab Emirates. The firm services corporate and institutional clients, governments, family businesses and high-net-worth-individuals with expertise in the areas of Asset Management, Investment Banking, Capital Markets and Credit. SHUAA is a public shareholding company with its shares listed on the Dubai Financial Market. The firm is regulated as a financial investment company by the UAE Central Bank and the Emirates Securities and Commodities Authority.

The firm owns and operates subsidiaries based in the Kingdom of Saudi Arabia and the Arab Republic of Egypt. They are SHUAA Capital - Saudi Arabia which operates as a real estate asset and investment manager, Gulf Finance Saudi Arabia its Shari'ah-compliant lending arm, and SHUAA Securities – Egypt, the newest addition to the Group, specializing in

brokerage services for institutional, corporate and retail clients with seamless access to regional markets.
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