

Earnings Release

08 August 2019

SHUAA Capital announces Q2 2019 results and calls Shareholders' General Meeting to change name to ADFG

Q3 2019 will see release of first consolidated earnings of significantly enlarged Group

- Quarterly revenues increased by 54.4% to AED 47.5 million (Q2 2018: AED 30.8 million)
- H1 2019 Group revenues increased by 60.9% to AED 102.9 million (H1 2018: AED 64.0 million)
- Q2 2019 saw AED 31.6 million loss (Q2 2018: profit of AED 14.6 million)
 - o Losses reflect one-off transaction costs relating to transformational merger with ADFG and final legacy-related provisions
- Announces appointment of Masood M. Sharif Mahmood as new Board member
- Calls General Meeting to change name to ADFG

SHUAA Capital psc (SHUAA or the Company) today announces its second quarter 2019 financial results. Revenues for the quarter increased to AED 47.5 million, up from AED 30.8 million from the corresponding 2018 quarter and representing an increase of 54.4%. The second quarter saw SHUAA register AED 31.6 million in losses (Q2 2018: AED 14.6 million profits), with an H1 2019 loss of AED 56.5 million compared to a profit of AED 26.3 million in H1 2018 reflecting the one-off transaction costs relating to the combination with ADFG as well as final provisions of c. AED 13.5 million towards exposure to legacy investments.

The second quarter financial results will be the final set of earnings that SHUAA releases as a stand-alone entity, with third quarter results to combine the earnings of the new and enlarged financial group of companies.

The Company also announced the appointment of Masood M. Sharif Mahmood to the Board of Directors. Masood currently serves as Chief Executive Officer of Yahsat and previously worked in Mubadala's Information and Communications Technology unit.

Fawad Tariq-Khan, Chief Executive Officer of SHUAA Capital, said, "SHUAA's final set of quarterly earnings reflect the completion of expenses and provisions relating to the merger as well as legacy investments. More importantly, our operating lines continue to grow in revenue and these will continue to serve as crucial elements for the new and enlarged entity well into the future. Following completion of the merger, the various teams at SHUAA and ADFG are now investing considerable joint efforts building a solid long-term road map for this newly created regional financial powerhouse. We look forward to announcing our Q3 and Q4 results."

As of 30 June 2019, SHUAA's balance sheet and total assets were AED 2.2 billion, with net assets at AED 762.2 million.

With the final regulatory approvals for the merger now obtained and SHUAA having increased its share capital, the Company will be calling for a general assembly meeting with shareholders, subject to regulatory approvals, to increase the number of its Board members as well as approve the transitioning of the SHUAA Capital name and brand to ADFG, as previously disclosed.

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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.

SHUAA Capital psc ('SHUAA') offers client-centric, fully integrated financial services. SHUAA, headquartered in Dubai, United Arab Emirates, services corporate and institutional clients as well as family businesses and high-net-worth individuals with expertise in the areas of asset management, investment banking advisory services, capital markets and credit. SHUAA was established in 1979 by Emiri decree No. 6. SHUAA is a public shareholding company, regulated as a financial investment company by the UAE Central Bank, and its stocks are listed on the Dubai Financial Market. www.shuaa.com

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